

APRIL 13, 1940

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# Railway Age

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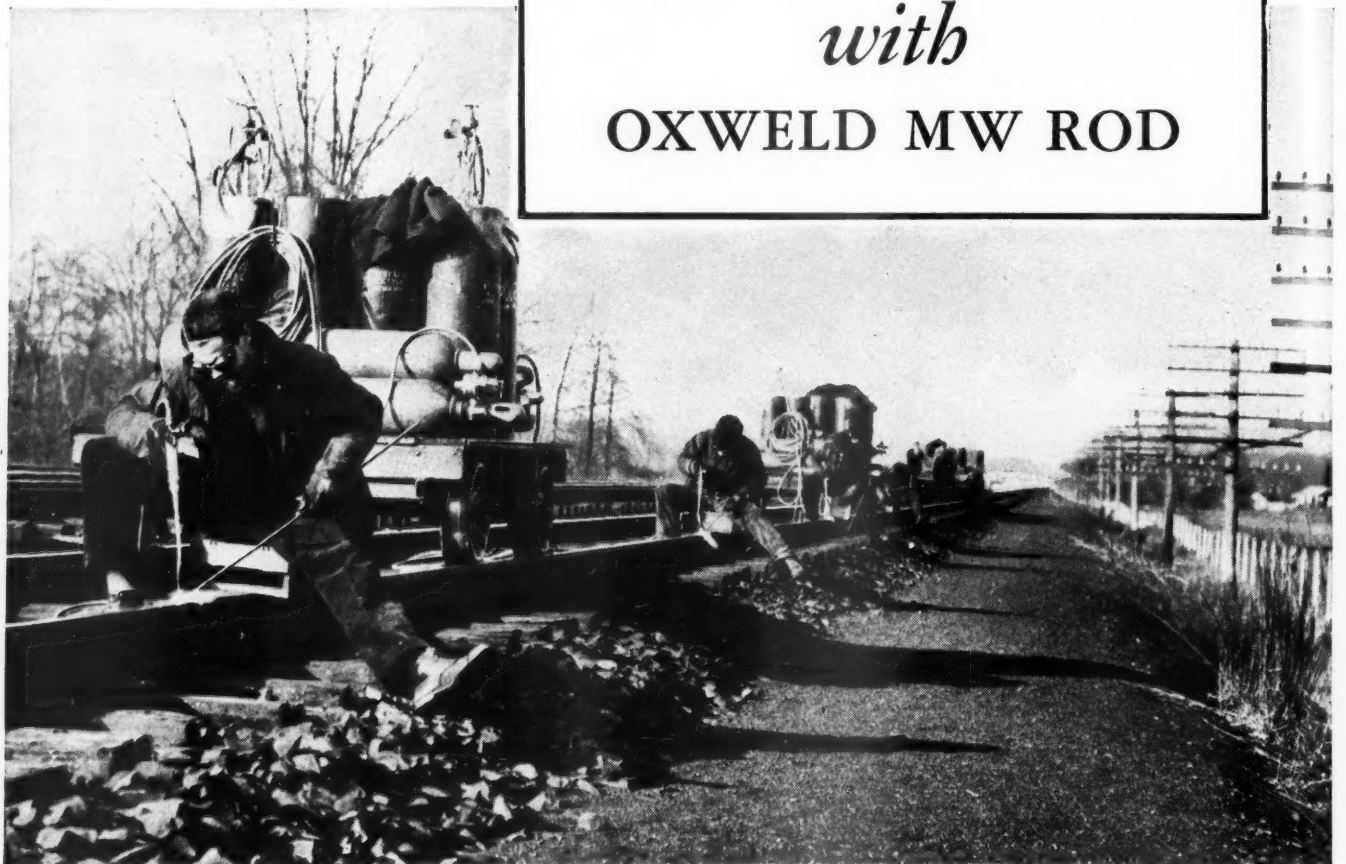
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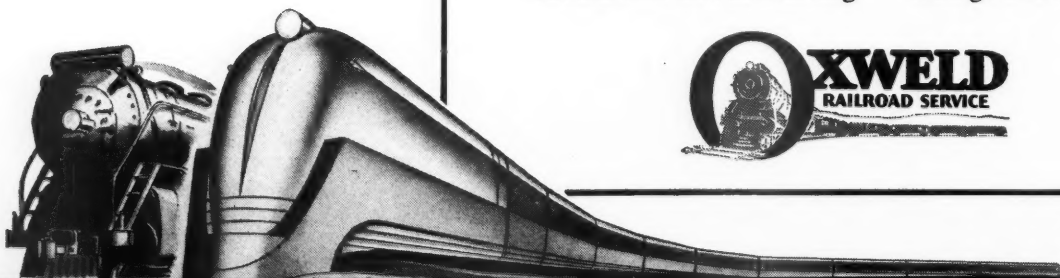
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## RAILWAY AGE

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# How Trucks and Railroads Can Help Each Other and the Public—I

It is natural and beneficial that rivalry should exist between truck transportation and railroad transportation. But if the public is to secure the benefits of this competition in more efficient and economical service—and if it is to benefit the rivals themselves by spurring each onward to its best possible performance—it is essential that the rivalry be one of true merit and true economy, and not one of comparative political acumen. If a competitor wins business by actually serving the public more conveniently and more cheaply, his competition is socially beneficial. If, on the other hand, he wins business—not by any technological or economic superiority—but only by greater skill than his rivals in wheedling special favors out of regulatory commissions and legislatures, then his competitive strength is not in the public interest.

### Does This Constitute Opposition to Trucks?

As evidence of this publication's belief in the desirability of bringing railroads and highway transportation into a more harmonious relationship to their mutual advantage, may be cited the fact that for about 14 years *Railway Age* has constantly had a member of its editorial staff assigned to observe and report upon the application of trucks and buses to supplement and, where justifiable, to supplant railroad service.

At the same time, we have continued to insist that competition between highway transportation and the railroads be put upon a comparable basis as to regulation and self-support, so that traffic may be divided between the rivals on the basis of their comparative economy rather than their comparative prowess in getting hand-outs and favors from the political authorities.

By and large, the *Railway Age* attitude toward this question has been substantially paralleled by that of enlightened railroad officers generally. But, despite the self-evident fairness of this position, the railroad attitude toward the motor truck has repeatedly been represented as that of a die-hard reactionary, fighting a losing battle against "progress." It is a queer fact that

an industry, supposed to be so inimical to the trucks, should itself be such a large and growing operator of these vehicles. There are not many trucking companies which operate as many such vehicles as some of the railroads—for instance, the New Haven, with over 800, the Southern Pacific with almost 400, the Boston & Maine with almost 200, the Cotton Belt with 150 and a half dozen other railroads with approximately 100. Nor do these figures take into account the thousands of trucks operated for the railroads under contract, nor of the additional thousands used in collection and delivery of railroad freight, nor of the approximately 12,000 vehicles operated by the Railway Express Agency.

Some not-very-foresighted enthusiasts among the trucking interests, seeing this large and growing use of trucks by the railroads themselves, have urged that the railroads ought to "lay off" their efforts to bring about more nearly adequate charges for use of the public highways by trucks, and reasonable restrictions on the size and weight of such vehicles—contending, since the railroads themselves are using more and more trucks, that it will be to their interest to "shut up" and take advantage of the taxpayers' hand-outs.

This is a specious argument—and those who make it do not realize that railroads learned two or three generations ago that, in the long run, shortchanging the public does not pay. An industry which is thriving only because it basks temporarily in the favor of politicians is not on a substantial and dependable basis—because what the politicians have handed out, they can also take back again, and with ruinous suddenness. The operation of trucks cannot be placed on a sound institutional basis, where planning for the future is possible, until highway costs are scientifically determined and assigned to highway users in an impartial manner on a basis which commands the respect and acceptance of regulators, engineers, economists and the intelligent public generally.

The way it is now, the only assurance that truck operators have as to what their fees and their weight restrictions are going to be next year or at any time



in the future is the skill and the resources of the lobbies which they maintain at state legislatures. Railroads know from bitter experience of old that the power of a lobby at one time offers no assurance of its strength the next time. Despite their large and constantly expanding interest in motor trucks, therefore, the railroads know that careful planning for the future is impossible until the determination of proper charges for highway use and proper limitations on vehicle size are taken out of politics, placed upon a basis which is not subject to legislative whim, and entrusted to accepted authorities whose ability and impartiality cannot be questioned.

### **Truck Future Uncertain So Long as Lobbying Is Its Sole Protection**

If some of the trucking interests had had the benefit, as the railroads have, of a century of experience, they would not counsel cutting corners in matters where a square deal to the public is involved. The securing of political favors, especially by questionable methods, may be profitable for the "here-today-and-gone-tomorrow" type of business. But it certainly is not so (to say nothing of the ethical questions involved) for the business which expects to be here 20 years from now; and which, consequently, will be on hand to suffer the public wrath which political chicanery, sooner or later, always arouses.

There is, therefore, no contradiction involved in the constantly growing use of motor trucks by the railroads and their continued insistence that fees levied upon such vehicles be placed on a definite scientifically-determined basis, not dependent upon political favoritism. People who know the business history of this country know that the real enemies of the future of truck transportation are not those who are endeavoring to place its regulation, its fees and its size limitation on a scientific basis, and under the direction of impartial authorities. Rather its real enemies are the lobbies which go into legislatures and hire members thereof or their law partners as "counsel," who make extravagant claims as to the "taxes" trucks pay (which claims no longer "stump the experts" and won't be fooling the general public much longer); and who, generally speaking, *try to keep truck regulation and truck fees in the political arena*. If truck transportation is still under political (rather than regulatory) control, when the inevitable public reaction to the kind of politics now being played comes home to roost, then it may well be pitied.

So much for the soundness of the railroad policy of using more and more trucks as a useful adjunct to their rail service, while insisting nevertheless that trucking be placed on a basis of true self-support, immune to partisan attack. *There is no future which can be depended upon for truck transportation failing the solution to these crucial questions.* However, assuming that steady progress is to be made toward such a solu-

tion—what then? What is the future of truck transportation, either independent of or in conjunction with railroad transportation? Is there a common ground upon which transportation by rail and transportation by truck can meet amicably—sharing the traffic of the country to their mutual advantage, and to that of the purchasers of transportation?

### **Where Truck Expansion Can Occur to Everybody's Benefit**

It is our considered opinion that there exists such a common ground and that it holds possibilities for truck transportation which make the long-haul business the trucks now secure under "pick-and-choose" rates look like chicken feed. The trucks, in short, have barely scratched what is potentially, perhaps, their biggest market, i. e., the assembly and distribution of freight in terminal and short-haul service.

Before us lies a significant analysis of the railroad terminal situation by William P. Kellett, a consulting engineer of New York. Mr. Kellett is interested in the advancement of a container, designed to facilitate interchange of freight between rail and highway—but a consideration of this container is not necessary to get at the core of his analysis, which boils down to two well-substantiated conclusions of profound significance to the railroads and the trucking interests alike. These conclusions are:

1. That the railroads, even on a basis of their present costs, could make rates which would take away from long-haul trucks most of the business they now enjoy. (A chart illustrating the study's findings in this respect was published in the *Railway Age* of December 16, page 917).

2. That the costs of railroad terminal switching (and the maintenance of a multitude of small freight stations) are enormous, and that they can be greatly curtailed by the use of trucks in lieu of small switching movements and one-car set-outs and pick-ups. (Terminal handling costs on a car with a 15-ton load average \$1.79 per ton, which is as much as a 350-mile line-haul costs. Mr. Kellett expresses the opinion that substitution of motor equipment for virtually all terminal movement could reduce railroad terminal handling cost of \$1.79 per ton to as low as 22 cents per ton. Even if potential cost reductions should be only a small fraction of this amount—still most thoughtful railroad men recognize the great opportunity which the railroads' disproportionate terminal costs, by their very magnitude, afford for ingenuity to effect savings).

Point No. 1 cited above is no novelty to regular readers of *Railway Age*, because we have been drawing attention for over a year now to opportunities which are open to the railroads to win back traffic by making concessions in rates, which they can make and still earn a profit—rates which trucks cannot meet. Growing interest has been manifest in these possibilities, and not unlikely before long the railroads may be



pretty serious competitors for a lot of traffic now moving long-haul uneconomically by truck.

Point No. 2 can best be appreciated if we stop to consider *what kind of railroads we would build today if they were being built new*. When the railroads were first built they had three great advantages over then existing methods of freight transportation, viz:

1. Economy of mass transportation vs. "retail" lots.
2. Superiority of speed over all competitors.
3. The economy of mechanical power on steel rails vs. horse power on poorly-surfaced highways.

Now, however, railroad superiority remains unchallenged only in the first of these advantages. In speed the truck equals the railroad in many instances and sometimes excels it—although, where terminal delays are minimized, the railroads can usually show their heels to the trucks. As to the third advantage, while the efficiency of mechanical power on steel rails is still superior to equivalent power on hard-surfaced highways—nevertheless the greater flexibility of highway service more than offsets the railways' greater mechanical efficiency where relatively short distances and small quantities of freight are concerned.

But, while the railroad has been equalled in speed and has lost its economic, if not its mechanical, superiority for relatively short hauls and relatively small quantities, its *superior efficiency and economy as a mover of freight in quantity is more pronounced than ever before*, and is growing constantly. And in that easily demonstrable fact, we believe, lies the key to an amicable settlement of the railroad-truck controversy—a settlement which will profit both forms of transportation, and the rate-paying public even more.

### R. R. Short-Haul Practices Should Be Put "On the Spot"

We are speaking now, not of the companies which provide transportation, but of the physical means by which it is provided. Our investigation so far does not indicate that all terminal and short-haul services may be performed more economically by truck but it does indicate there are great possibilities for trucks in these areas. Every small terminal and short-haul movement by rail ought to be put "on the spot" to see whether truck service might not profitably be substituted for it. Such studies ought not consider only the potential savings in *movement*, but should include also those possible from the wholesale abandonment of a multitude of light traffic industrial tracks and heavily-taxed urban and rural freight stations. One of the handicaps to the greater use of trucks in short-haul and terminal movements has been that, while some of the traffic is trucked, facilities and switching movements are continued to handle the remaining traffic. Pronounced savings from truck substitution cannot usually be expected under such conditions—but only where the uneconomical rail facilities and services are abandoned entirely.

In next week's issue in this space will be discussed some of the legal and regulatory difficulties which will have to be surmounted to make possible the greater use of trucks in the handling of freight now being moved short distances and in small quantities by rail, and the economic advantages to be gained thereby.

## Railway Wages in 1929, 1934 and 1939

Statistics of the Interstate Commerce Commission recently issued show that in 1939 the railways had an average of 987,943 employees and paid them \$1,863,502,823, an average annual compensation of \$1,886. The figure for number of employees is arrived at by counting the actual number of employees at the middle of each month.

The number of employees in 1929, a decade before, was 1,660,850; their total compensation \$2,896,566,351, and their average annual compensation \$1,744. The number in 1934, five years before, was 1,007,702; and their total compensation \$1,519,351,725, an average of \$1,508. Therefore, average annual compensation in 1939 was 8 per cent higher than in 1929 and 25 per cent higher than in 1934.

In an accompanying table are given the numbers and

Compensation of Railway Employees

Class	Number	Total Wages	Aver. Annual Compensation		
			1929*	1934	1939
Executives, officials and staff assistants ...	11,745	\$68,342,183	\$5,652	\$5,120	\$5,819
Professional, clerical and general .....	163,056	319,446,263	1,754	1,649	1,959
Maintenance of way and structures .....	201,943	250,461,590	1,138	975	1,240
Maintenance of equipment and stores...	264,160	458,604,805	1,668	1,341	1,736
Transportation (other than train, engine & yard) .....	125,149	206,314,668	1,524	1,345	1,649
Yardmasters, switch tenders & hostlers ...	12,141	30,474,672	2,381	2,047	2,510
Train & engine service	209,749	529,858,642	2,517	1,998	2,526
Total .....	987,943	1,863,502,823	1,744	1,508	1,886

\* Includes switching & terminal companies.

total compensation of employees of each class in 1939, and also the average class, in 1929, 1934 and 1939.

Between 1929 and 1934 the number of employees declined 653,148, and their total compensation declined \$1,377,214,626—this large decline in compensation being due not only to reduction in the number of employees, but also to a 10 per cent deduction from their basic wages first made in 1932. Between 1934 and 1939 there was a further decline of 19,759 in the number of employees, but an increase of \$344,151,098 in their total compensation—this increase being due to cancellation of the 10 per cent deduction from basic wages and to subsequent general advances made in 1937.

Total compensation in 1939 was \$117,362,187 more than in 1938, but, owing to reduction in the number of employees, \$121,943,895 less than in 1937. It was larger than in any year previous to 1937 since 1931.

## "You Can't Lick a Trend"

The railroads are too broke to make gifts to shippers in the form of rate reductions, merely out of the kindness of their hearts. But it isn't charity, but sound business, to reduce prices to a customer when you *know* he is getting at lower prices elsewhere the service you offer—and that, because of your higher prices, he is diverting more and more of his patronage away from you. To reduce prices in such a case, if the reduced prices will still yield a profit, is not philanthropy; it is intelligent selfishness. Reducing prices to meet such a condition will not only hold the business you are losing, but will win back that you have already lost.

There is a true saying to the effect that *you can't lick a trend*. The trend of that railroad traffic, *which is rated higher than actual trucking costs* is away from the railroads, and nothing can stop its erosion as long as the conditions which cause the erosion remain. Is there any way to turn this tide except by not having so many railroad rates higher than actual costs of truck handling, where lower railroad rates would still leave a margin of profit?

If the railroads would do this, and then demand that the regulatory authorities cease permitting trucks to make below-cost rates, would not many truck operators be deprived of net revenue from their present widespread operations—and would they not then find it necessary to contract their operations to a much narrower radius in order to make any net earnings?

Quite possibly a rate reduction sufficient to benefit the railroads competitively would temporarily deprive them of some revenue, but it is the trend that is licking the railroads; and the suggested change ought to end the trend toward disaster and substitute a new one toward growing traffic. Moreover, causing unreasonably low truck rates to be increased to a normal cost basis, would enable the railroads to realize more net revenue, by permitting the re-establishment of depressed carload rates at remunerative levels.

It would be too much to expect that the railroads could compel an increase in all unreasonably low truck rates to a minimum based on trucking costs, simultaneously with a blanket reduction in their own rate ceiling. If, however, the railroads wait until a sound economic bottom has been put under the transportation pricing structure before they even *begin* effectively to meet truck competition on traffic now rated appreciably higher than the actual cost of trucking, won't the continuing losses in the interim probably be even greater than any temporary loss that might be incurred by a blanket reduction of the higher rates?

**Isn't it good business to risk a slight immediate loss in order to stop a trend which, if permitted to continue, will ultimately bring much larger losses?**

To indicate more clearly what is here proposed—let us suppose that the railroads should reduce their class rates in the following percentage amounts:

Miles	L. C. L.			Carload
	1st Class & Higher (per cent)	2nd Class (per cent)	3rd Class (per cent)	Col. 25 and Higher (per cent)
100 and less .....	20	15	10	15
100 to 300 .....	15	10	5	10
300 and over .....	10	5	5	5

Let such reduced rates be applied as the maximum to all items in the classification, and simultaneously petition the Commission for an order requiring the trucks to show cause why they should be permitted to engage in any movement at rates less than their average unit cost. Then couple this with a searching inquiry to develop the locations where the railroads themselves might profitably substitute truck service for costly rail movement of merchandise and carload traffic in terminal, short-haul and branch line service.

Would not such a program probably result in a short time in the railroads enjoying traffic in an amount more than sufficient to offset the reductions made in rates—not even considering what undoubtedly would be gained should the trucks be required to increase their unreasonably low rates?

Would not this line of action also result eventually in a reduction in *railroad unit costs*, because of added traffic, of sufficient importance to enable the railroads to make a further nominal percentage rate reduction on this character of traffic, which would again result in attracting a larger volume, permitting further economies per unit and greater net revenues?

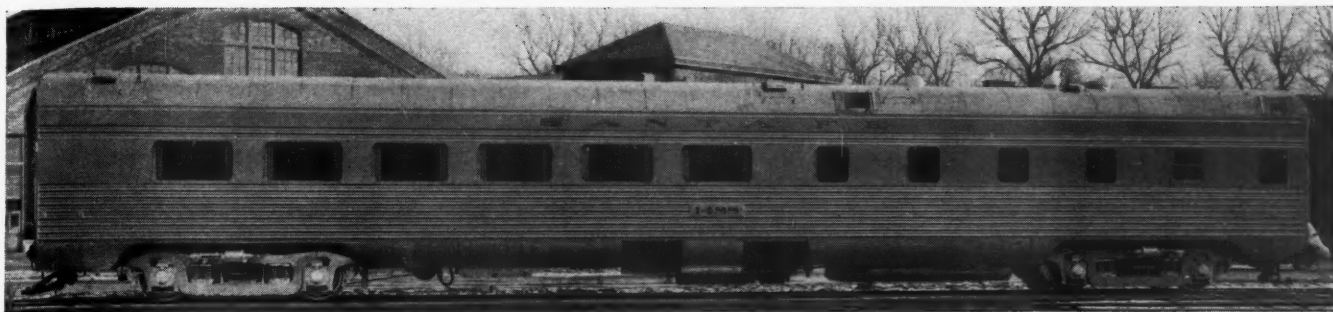
Would not searching inquiries into the relative efficiency of any and all transportation facilities inevitably bring about a more efficient and more profitable transportation machine, after those parts which are loss-producers are discarded?

Would not this procedure also serve to place the railroads in a more liquid position—giving them larger net revenues, and thereby permitting them greater latitude than their present poverty now allows, in making rates which will hold or regain other traffic that is continually being lost through decentralization and technical progress in industry?

Is there any industry where the facilities have been increased in any like proportion as the transportation plant since 1920, without any appreciable increase in the volume of business, that would even try to hold its business by increasing rates, especially when its competition is growing more efficient and formidable each day?

Rate changes involving millions of dollars in revenue are not to be made lightly. But *far more risky than taking reasonable chances with the rate structure is doing nothing to stop a devastating trend of traffic away from the railroads*. It is not contended that the solution suggested here is infallible or that somebody might not have a better one. If any serious student of this problem can propose a solution to the present disastrous situation—which might meet the present emergency more certainly and with less risk—we should be glad to present his proposal in this space.





Lunch-Counter-Diner With Stainless-Steel Sheathing

## Santa Fe Gets Seven New Cars from Pullman-Standard

Lightweight passenger equipment embodies low-alloy, high-tensile steel-frame construction, with stainless-steel sheathing

**T**HE Atchison, Topeka & Santa Fe has recently added to its fleet of modern passenger-train cars seven lightweight stainless-steel sheathed cars, built by the Pullman-Standard Car Manufacturing Company. The following types are included in the order: one baggage-dormitory-chair car, two baggage-chair cars, one dining car, one lunch-counter-diner, one club-lounge car and one chair-observation car. The length, weight and passenger seating capacity of each of these cars is given in the table.

Aside from the two cars with dining facilities, which are slightly over 83 ft. long between coupler faces and weigh roughly 58 tons apiece, each of the other cars has a coupled length of 79 ft. 10 in. and weighs a little over 51 tons. Considering the extensive interior appurtenances and auxiliary equipment, including air conditioning apparatus, necessary to meet modern passenger requirements, the weights quoted are relatively low and represent a saving in excess of 25 per cent. The seating capacities shown include both revenue and non-revenue seats. The 24 regular dining-compartment seats in the lunch-counter-diner are supplemented by 14 lunch-counter stools, bringing the total seating capacity of this car up to 38.

### Principal Features of the Construction

The structural framing of the cars is low-alloy, high-tensile steel, of self-supporting truss-type welded construction, designed to meet A. A. R. strength requirements. The exterior sheathing immediately below and above the windows is of corrugated stainless steel; the pier panels and the lettered section of the letter-board are of metal-covered plywood; the roof sheets are of stainless steel, welded into a unit and riveted to the side plates.

The flooring construction is made of pressed aluminum corrugated sheets .051 in. thick, the top depressions being filled with strips of corkboard and a layer of 1-in. cork applied over the entire area. The kitchen and pantry floors are built up in the same way and have Monel metal welded pans applied as the top covering.

For insulation, Stonefelt is used in the floors, while Fiberglas insulation is used in back of the side and end sheathing and on the underside of the roof covering.

Miner buffers and friction-type draft gears are installed, also A. A. R. tight-lock couplers made of high-tensile steel and having the head arranged to permit coupling with either control-slack or conventional-type couplers. Center diaphragms only are used. They are of the two-fold, U-shape, canvas-type with semi-elliptic upper buffer springs. The vestibule platform steps are pivoted and operate in conjunction with the trap door, both being of Pullman-Standard design and manufacture.

Each car has at least one or more O. M. Edwards split-type sash, applied in two parts with the outer upper section stationary and the lower sash provided with fixtures to permit raising the sash. The sash in the kitchens and pantries are also the two-part type, but for these the lower sash is fixed in place and the upper sash is arranged to drop. The center sash in the rear of the observation room is arranged to swing inwardly for use in switching. All other sash in the cars are Hunter, dehydrated.

Attractive Safety center ceiling-light fixtures are installed in all cars. With the exception of the kitchen and buffet, the light fixtures, recessed in the ceiling, have the lens fitted in a hinged door which can be opened by means of a thumb screw instead of the usual slotted screw, making relamping easier and faster. The mirror lights are tubular in design. The glassware in the mirror light fixtures, where two lights are used in one fixture, is in two pieces, again creating easier and quicker relamping facilities. The average lighting load per car is 1,875 watts.

All cars are air-conditioned, each having an under-frame-mounted six-ton refrigeration unit and overhead cooling unit of the Safety steam-ejector type. The Vapor heating system is thermostatically controlled, with fin-type radiators.

The air-brake equipment is Westinghouse Air Brake Company's HSC schedule with D-22 control valve and A-4-A-80 relay valve but without electric speed governor or straight-air control. The cylinders are truck

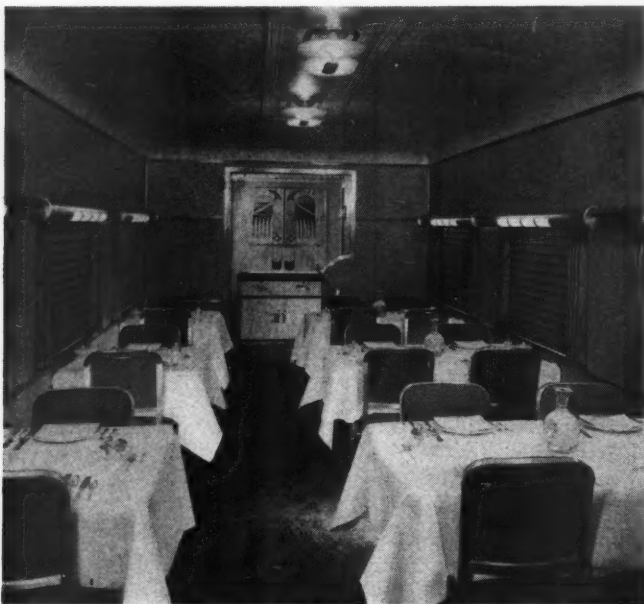


mounted. The generator on each car is an underframe-hung type of 10-kw. capacity. Storage batteries are rated at 1,000-amp.-hr. for eight hours.

The trucks have a 9-ft. wheel base and are of the four-wheel, double-equalizer-bar type, with Commonwealth frames and bolsters made of nickel-alloy steel. The equipment includes Timken roller bearings, Houde shock absorbers and Simplex clasp brakes.

#### Interior Arrangement and Decorative Treatment

**Dining Car.**—This car has a 28-ft. kitchen, a 6½-ft. pantry or buffet, and a 38-ft. dining room, with tables spaced 6 ft. 4 in. on centers. The main dining room is finished in shades of henna and green. The floor covering is a modern leaf design done in two tones of henna rose. The walls and ceilings are in green with



The Dining-Car Interior

a light tone on the ceilings. The seat covering for all of the dining-room chairs is a textured fabric, copper rust in color, and applied so that the texture lines form a horizontal pattern. The colors of the walls, seat covering, and carpets are combined in the horizontally striped window shades. The dining room draperies have a modern leaf design with a henna rose figure on a green ground. The buffet at the lobby is finished in light Flexwood. The kitchen passageway and the lobby at the buffet have the same wall and ceiling colors as the main dining room. The same carpet and window shades are also used here as in the main dining room.

**Lunch-Counter-Diner.**—The lunch-counter-diner has a 19-ft. kitchen, 6-ft. pantry and a 14-stool lunch-counter section, 28 ft. 8 in. long, the balance of the car being devoted to a dining room seating 24. The car is done in gray-blue and terra-cotta tones as the basic color scheme. In the dining room is a two-toned terra-cotta floor covering in a block pattern. The walls and ceilings are in blues with the ceilings gray-blue light, upper walls light blue light, middle walls steel blue light, and the wainscoting of blue light. The dining chairs are upholstered in Ranier blue in a textured fabric in horizontal line motif. The window shades are in terra-cotta and green with the color lines forming a horizontal pattern. The lunch-counter section has an inlaid floor of blue and terra cotta on a cream marbelized ground.



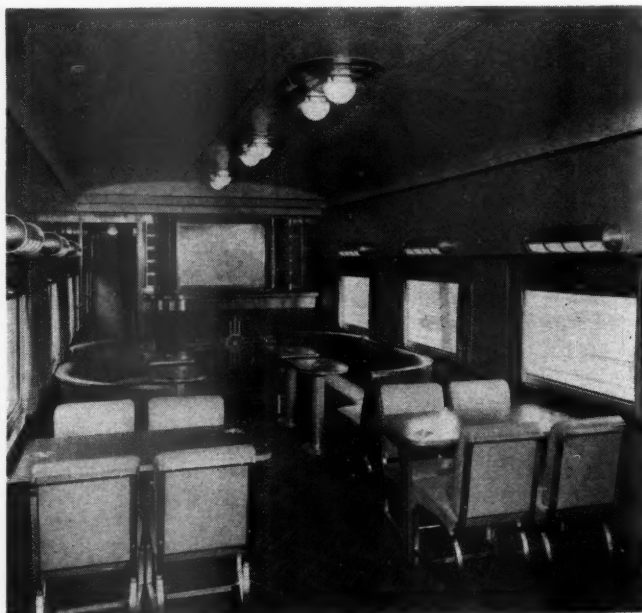
The Lunch-Counter-Diner

#### Principal Weights and Dimensions of Seven New Santa Fe Passenger Train Cars Built by Pullman-Standard

Number of Cars	Type of car	Length ft.-in.	Truck weight, lb.	Total car weight, lb.*	Seating capacity
1	Baggage-dormitory chair....	79-10	34,250	104,000	32
2	Baggage-chair .....	79-10	34,195	101,750	38
1	Dining car .....	83- 2	34,270	117,150	36
1	Lunch-counter-diner .....	83- 2	34,340	116,600	38†
1	Club-lounge .....	79-10	34,110	105,000	28
1	Chair-observation .....	79-10	34,000	102,800	60

\* Less water.

† Includes 14 lunch-counter stools.



Semi-Circular Cocktail Lounge and Bar in the Club-Lounge Car

The same wall and ceiling colors are used in this section as were used in the dining room. The high-back lunch-counter stools have upholstered tops of cream-colored leather, and the lunch counter itself has the top covered in black Wingfoot rubber. Gray-blue marbelized Pneutile is used at the aisle in back of the lunch counter.

**Club-Lounge Car.**—The club-lounge car has a barber

shop and shower facilities in one end and crews' quarters in the other. The main center section, 37½ ft. long, is devoted to a commodious and well-equipped cocktail

**Partial List of Materials and Equipment Used on Seven New Santa Fe Passenger Cars**

Car builder .....	Pullman-Standard Car Mfg. Co., Chicago
Steel:	
Alloy .....	Carnegie-Illinois Steel Corp., Pittsburgh, Pa.
Stainless .....	Bethlehem Steel Company, Bethlehem, Pa.
Galvanized .....	Allegheny Ludlum Steel Corp., Pittsburgh, Pa.
Aluminum alloy .....	Carnegie-Illinois Steel Corp., Pittsburgh, Pa.
Monel metal .....	Aluminum Company of America, Pittsburgh, Pa.
Cork flooring .....	The International Nickel Co., Inc., New York
Insulation .....	David E. Kennedy, Inc., Brooklyn, N. Y.
Tight-lock car couplers .....	Johns-Manville Sales Corporation, New York
Draft gear .....	Gustin-Bacon Manufacturing Company, Kansas City, Mo.
Buffing device:	
Lower .....	American Steel Foundries, Chicago
Upper .....	W. H. Miner, Inc., Chicago
Diaphragms, vestibule curtains .....	Standard Railway Equipment Co., Hammond, Ind.
Platform safety treads .....	The Adams & Westlake Co., Elkhart, Ind.
Truck castings .....	Morton Manufacturing Company, Chicago
Bolster locking center pins .....	General Steel Castings Corporation, Eddy-stone, Pa.
Shock absorbers .....	W. H. Miner, Inc., Chicago
Truck springs .....	Houde Engineering Company, Buffalo, N. Y.
Roller bearings and boxes .....	American Steel Foundries, Chicago
Side bearings .....	Timken Roller Bearing Company, Canton, Ohio
Wheels .....	A. Stucki, Pittsburgh, Pa.
Truck brakes .....	Edgewater Steel Company, Pittsburgh, Pa.
Brake shoes .....	American Steel Foundries, Chicago
Axles .....	American Brake Shoe & Foundry Co., New York
Pipe covering .....	Standard Steel Works Co., Burnham, Pa.
Air-brake equipment .....	Union Asbestos & Rubber Co., Chicago
Hand brakes .....	Johns-Manville Sales Corporation, New York
Steam-heating system and controls .....	Tuco Products Corporation, New York
Electric drinking-water coolers .....	Westinghouse Air Brake Company, Wilmerding, Pa.
Drinking-cup dispensers .....	National Brake Company, Buffalo, N. Y.
Washstands:	
China .....	Vapor Car Heating Co., Inc., Chicago
Folding .....	General Electric Company, Schenectady, N. Y.
Shower bath fixtures .....	Dixie Vortex Company, Easton, Pa.
Hopper seats and lids .....	Crane Company, Chicago
Window sash .....	The Adams & Westlake Co., Elkhart, Ind.
Refrigerators and ice chests .....	Crane Sales Company, Chicago
Buffet writing desk—book case .....	Duner Company, Chicago
Glass:	
Laminated .....	Hunter Sash Co., Inc., Flushing, N. Y.
Translucent .....	O. M. Edwards Company, Syracuse, N. Y.
Air conditioning system, exhaust fans .....	Pullman-Standard Car Mfg. Co., Chicago
Air distributors and ventilators .....	S. Karpen & Bros., Inc., Chicago
Intake blowers .....	Pittsburgh Plate Glass Company, Pittsburgh, Pa.
Air filters .....	Pressed Prism Plate Glass Company, Chicago
Generators and parts .....	Safety Car Heating & Lighting Co., New York
Storage batteries .....	The Adams & Westlake Co., Elkhart, Ind.
Battery charging receptacles .....	Pullman-Standard Car Mfg. Co., Chicago
Lighting fixtures and receptacles .....	Crouse-Hinds Company, Chicago
Annunciators .....	The Pyle-National Company, Chicago
Coach seats .....	Edwards & Co., Inc., Norwalk, Conn.
Rubber seat cushions .....	S. Karpen & Bros., Inc., Chicago
Chairs, sofas, settees, etc. . . . .	Dunlop Tire & Rubber Corp., Buffalo, N. Y.
Seat and chair covering:	
Leather .....	Goodyear Tire & Rubber Co., Akron, Ohio
Fabric .....	U. S. Rubber Company, Mishawaka, Ind.
Rubber flooring .....	S. Karpen & Bros., Inc., Chicago
Window capping .....	Marshall Field & Co., Chicago
Check and seat number plates .....	General Fireproofing Company, Youngstown, Ohio
Formica .....	Midgley & Borrowdale, Chicago
Seamless steel tubing .....	L. C. Chase & Co., Inc., New York
Copper tubing and sweated fittings .....	Midgley & Borrowdale, Chicago
Conduit, thin-wall steel .....	Caf-O-Lite Company, Muskegon, Mich.
	Heywood-Wakefield Company, Gardner, Mass.
	Formica Insulation Company, Cincinnati, Ohio
	Steel Sales Corporation, Chicago
	Chase Brass & Copper Co., Waterbury, Conn.
	Graybar Electric Company, Chicago

lounge and bar. Seven individual lounge chairs are installed and there are two card tables seating four each. Two settees, seating six persons each, are arranged with suitable stationary cocktail tables. The general color scheme of this car is blue and terra cotta. The carpet is a modern design in two shades of terra cotta and rose. The walls and ceilings are in blue with the ceilings in old ivory. The semi-circular cocktail section is upholstered in blue leather and the lounge chairs are upholstered in a blue-green fabric in which both vertical and horizontal lines are used to form the pattern.

The card-section chairs are upholstered in ivory leather. The bar is done with Flexwood redwood burl, and has a top of terra-cotta linoleum. Window shades throughout are in terra cotta with a diagonal self-toned textured pattern. The cocktail tables and card-section tables have tops of terra-cotta red Formica. The draperies for the main compartment are in blue, terra cotta and gold, combining the colors used in the general color scheme. The colored lines are applied horizontally.

**Chair-Observation Car.**—The chair-observation car seats 52 in the 45-ft. main compartment and observation end and has a modern women's smoking room with four individual chairs and a smaller men's room seating four on a sofa. The chair compartment in this car is done in green, brown and henna. The carpet has a dark brown base color, with tones of henna and green forming the design. The ceilings are done in pale green, upper walls in lettuce green, pier panels in pea green, and wainscotings in shamrock green. The chairs are upholstered in electra green in a self-toned texture fabric, window shades are in henna with a running leaf design forming a horizontal stripe. The women's room is in beige and blue tones with floor coverings of rose taupe jasper linoleum, ceilings of light gray sand, walls gray-beige, and wainscotings in steel gray. The window shades are the same—henna with the leaf forming the stripe—as used in the main compartment, and the chairs are upholstered in Ranier blue with the textured stripe lines applied horizontally. The men's room is done in blue and shades of red, and has the same rose taupe jasper linoleum as used in the women's room, but has ceilings, middle walls and lower walls in three shades of Antibes blue. The sofa is upholstered in red leather  
(Continued on page 670)







Interior of New York Central Coach No. 2562—Photo Taken By Means of Regular Car Lighting Only

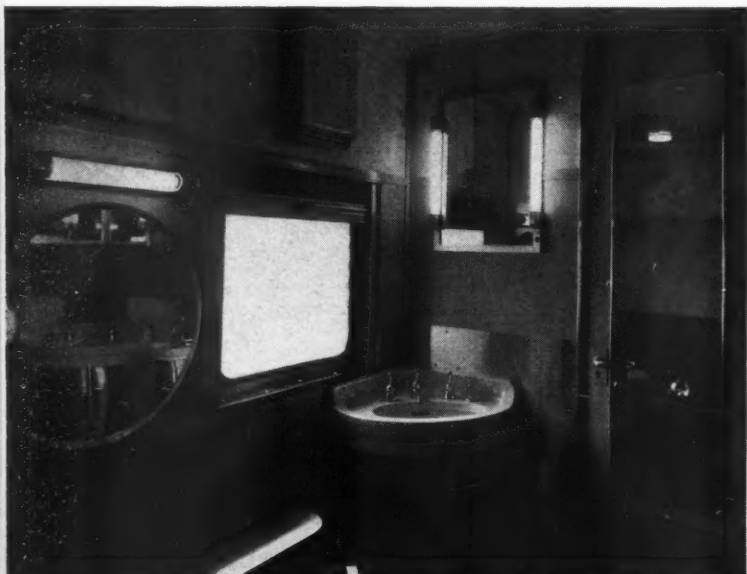
## Simplified Fluorescent Lighting

New York Central coach lighted by direct-current system which requires no power converting device

**F**LUORESCENT lighting was introduced in the field of train lighting by the New York Central in 1938. The initial application (on a coach) employed one 18-inch, 15-watt, 115-volt, alternating-current lamp over each seat. A vibrating switch inverter was used to change the car power supply from 32 volts direct-current to the 115-volts alternating current necessary for the lamps.

The newest installation (also on a coach) employs 14-watt lamps,\* 15 inches long which will operate directly on 60 volts direct current. This is a new type of Mazda lamp developed by the General Electric Company especially for operation on direct current. The nominal rating of the lamp is 500 lumens. There is one such lamp, controlled by an individual switch, over each seat.

\* The lamps bear a nominal rating of 14 watts and operate at 16 watts at 60 volts.



Women's Lounge—One of Two Ceiling Lights May Be Seen in Long Mirror—Second Wash Bowl with Lighted Corner Mirrors Is Reflected in Round Mirror



Right—One of the Luggage Rack Fixtures. Center—Luggage-Rack Fixture with Louverglas Shield Moved to One End for Cleaning or Relamping. Bottom—Row of Lamps, Over the Central Air Conditioning Duct—One of the 10-Watt Night Lights May Be Seen Between the Second and Third Fluorescent Lamp

It is placed longitudinally in the curved section of the luggage rack close to the wall. Behind the lamp is a cylindrical polished Alzak aluminum reflector and in front is a piece of Louverglas curved to conform with the curve of the luggage rack. This material is a plastic having self-contained louvers which permit light to pass out into the car, but which shield the eyes of the passengers in the seats behind. Longitudinal ribs on the outer surface of the material diffuse the light and conceal the outline of the light source. The auxiliary required to ballast each lamp when it is turned on consists of a 0.6-ampere, 30-volt ballast lamp, connected in series with the fluorescent lamp and a magnetic starter. Since the current through the lamp is continuous, there is no stroboscopic effect or flickering.

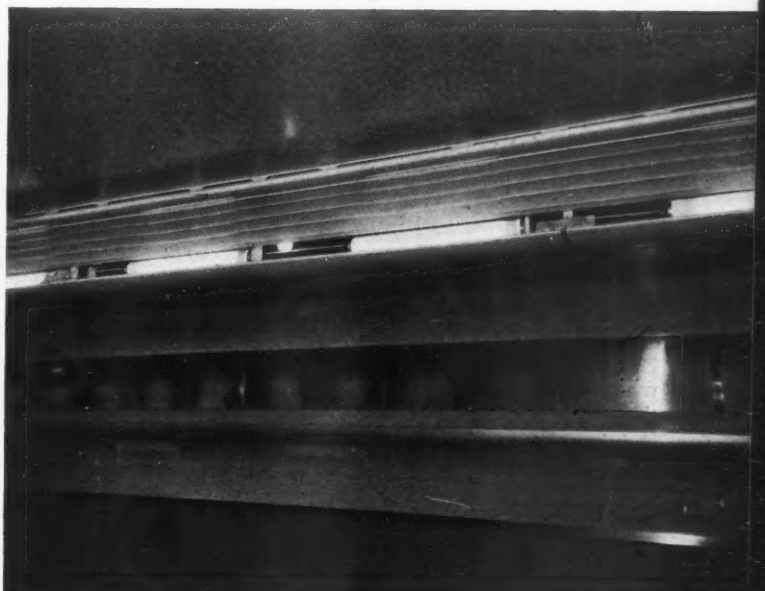
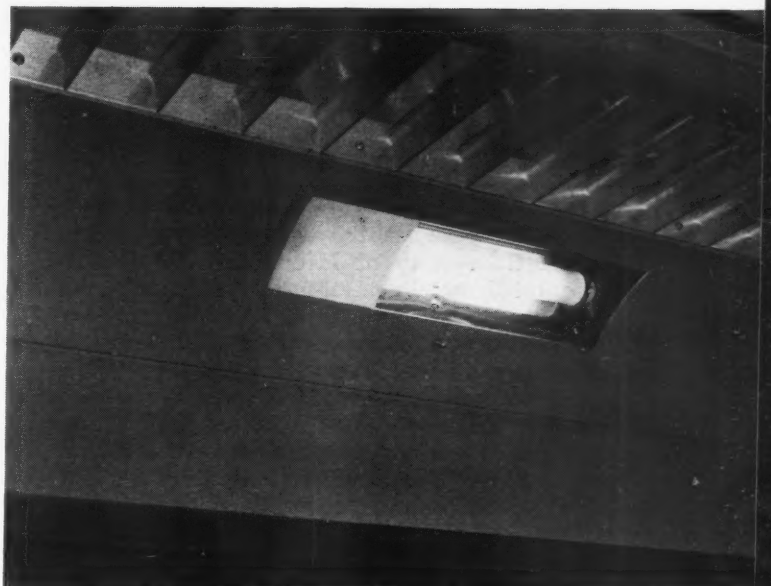
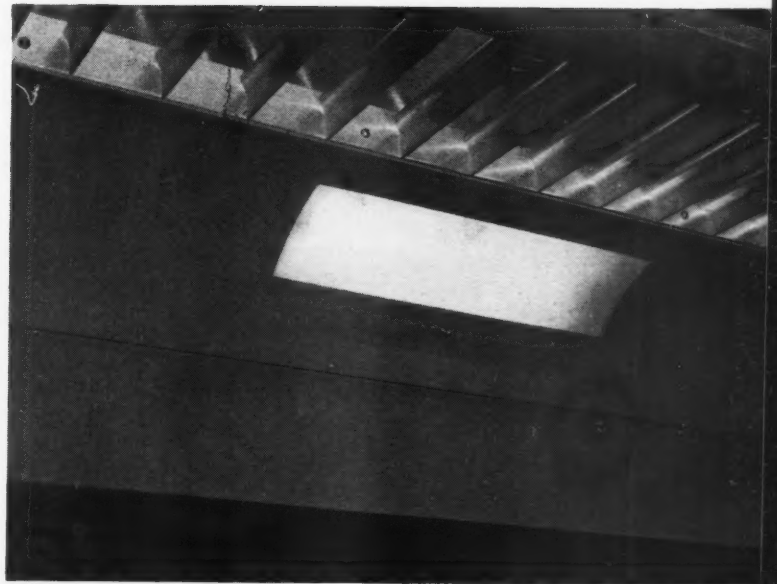
In addition to 30 lights over the seats, there are 28 similar units placed in a row above a metal trough, suspended under the ceiling along the center line of the car. The average lighting intensity on the reading plane is 10.8 foot-candles. About nine-tenths of the light is supplied by the luggage rack fixtures, the center units being used as decoration and for supplying general illumination. In the center lighting trough there are also seven, 10-watt 60-volt incandescent night lights.

The car is a deluxe coach (No. 2562), measuring 84 ft., 8½ in. overall. It is of stainless steel construction, built by the Edward G. Budd Manufacturing Company. The center section, which seats 60 passengers, is 55 ft., 3½ in. long. The reclining chairs are upholstered in a wine red, alternate seats having a checked and striped pattern respectively. The removable head rests are a light buff. The gray linoleum floor has a blue pattern and the side walls are gray below the windows. The window sills are a black plastic. The windows are wide and the panels between are delft blue. Luggage racks are finished in gray and bright stainless steel, and there is a stainless steel panel above the racks. The ceiling is a light buff.

At either end, respectively, is a men's and women's lounge. The men's lounge is lighted by seven, 30-watt Lumiline lamps. In the women's lounge are five Lumiline lamps and two 25-watt lens-type units mounted in the ceiling. Lens-type units are also used in the passageways. There is a 40-watt unit in each toilet and two 25-watt incandescent lamps in the one vestibule. The input to each fluorescent lamp is 22.2 watts at 60 line volts, and the total lighting load, including the night lights, is 2,061 watts.

The car is equipped with a Frigidaire electro-mechanical air-conditioning system and electric water cooler. Power is derived from a 20-kw. 80-volt Safety generator driven from the axle by a Spicer gear drive. The battery is an Exide, rated 600-amp. hr. at 64 volts.

It is the 64-volt power system which makes it possible to use fluorescent lighting in this form. It would also be possible with higher voltages but with a 32-volt power supply a vibrating-switch inverter or a motor-generator is required.



# No Shatter Cracks in Rail — No Transverse Fissures



Obtaining the Temperature of Rails With a Radiation Pyrometer, Before Charging Them Into a Controlled-Cooling Box

By J. F. Woschitz

Metallurgist, Inland Steel  
Company, Chicago

In this paper, which was presented at the recent University of Michigan-Life Conference on New Technologies in Transportation, at Ann Arbor, Mich., the author discusses the various processes of thermally treating rails which have been developed in this country, Canada and Europe to prevent the formation of shatter cracks, which are now generally accepted as the nuclei from which transverse fissures grow. Giving primary attention to controlled cooling, he points out that etch and service tests show that this process of thermal treatment definitely prevents the formation of shatter cracks.

**T**HE principal changes and improvements in the manufacture of rails in this country during the last 20 years have been in the finishing treatment which is afforded them. While there have been changes and refinements in open-hearth practice, mold design and rolling mills, and improvements in heating furnaces, these generally have contributed more to a greater uniformity of product than to a marked improvement in rail quality. At the same time, changes have been made in the chemical specifications for rail, which have tended toward producing a product of higher carbon content, which is harder, stronger, and more wear-resisting. Also, the trend has been toward larger rail sections and heavier weights. Combined with the above changes, specifications and rail sections have become fewer and more standardized, tending toward greater simplification for both the mills and the railroads. The principal departure from the orthodox methods of rail steel manufacture has been made in Europe, where a number of methods

are in commercial use for producing rails with a high-strength steel in the head and a lower strength steel in the balance of the rail.

## Principal Commercial Rail Treatments

The principal commercial developments in rail treatment during the last twenty years include controlled cooling, Brunorizing or normalizing, the end-hardening of rails, the full length head-hardening of rails, and the welding of rails into long sections. The first mentioned development, controlled cooling, promises to bring about the elimination of transverse fissures in track, with a consequent increase in the safety of travel. The Mackie process in Canada, the Sandberg process in Europe, and the more or less compromise method used in this country, are the present standard methods for the controlled cooling of rails.

The Brunorizing or normalizing of rails, developed by the United States Steel Corporation, results in a finer-grained, more ductile and tougher steel, which it is claimed will have better impact-resisting properties at sub-zero temperatures than ordinary rails. This is probably the most radical treatment to which entire rails are subjected on a commercial scale in the United States. The development of end-hardened rails has reduced rail end batter and increased the smoothness of train operation, and has cut down railway maintenance costs.

In Europe, the hardening of the full length of the heads of rails is practiced, using water, water vapor, steam and air. Entire rails are also heat-treated. The Sandberg, Neuves Maison and the Max Hutte processes are examples. Fully heat-treated rails have also been produced in the United States. As regards the producing of long sections of rail in main line track by welding to eliminate joints and to make for smoother riding, lengths up to several thousand feet have been welded and laid in track successfully. Of the foregoing developments in rail treatment, controlled cooling is



probably the most important and, therefore, will be the subject of the remainder of this discussion.

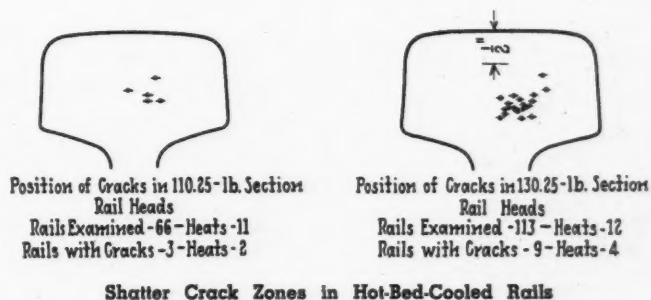
### Fissures Linked to Shatter Cracks

From the time that transverse fissures were recognized as a specific type of rail defect and a danger in railroad track (about 1911), their source and methods of eliminating them have been the subject of intensive study by both the railroads and rail manufacturers. A correlation was soon found between the presence of shatter cracks in the interior of rail heads and the occurrence of transverse fissures in service, which early suggested that the nuclei of transverse fissures were these shatter or thermal head cracks. However, it was not until about the last five years that sufficient proof was built up to support this theory generally in the United States. This support is based principally upon the performance records of more than a million tons of controlled-cooled rails which have been in service in track in this country during the last five years without the occurrence of a single transverse fissure.

The origin of shatter cracks, whether alone the result of thermal stresses set up in the cooling of an irregular section, or augmented by the effect of hydrogen, inclusions, or segregation, is still a subject of controversy, although the current swing is in the direction of the hydrogen theory, as advocated by Dr. H. F. Moore, research professor of engineering materials, University of Illinois. However, whatever the cause may be, a remedy, or a method for eliminating shatter cracks in rail heads has been found in some types of controlled or

(3) Intermediate-manganese rails were found somewhat more susceptible than rails of the usual carbon content.

(4) Investigations carried on by the Inland Steel Company have indicated tentative tie up between shatter cracking and the degree of oxidation of the open-hearth bath and final deoxidizing practice. That is, with the same deoxidizing practice, heats with a low degree of oxidation, as shown by a low slag, FeO, under 9 to 10 per cent, and a higher residual manganese in the steel



bath, have shown a greater tendency toward shatter cracks than more highly oxidized heats.

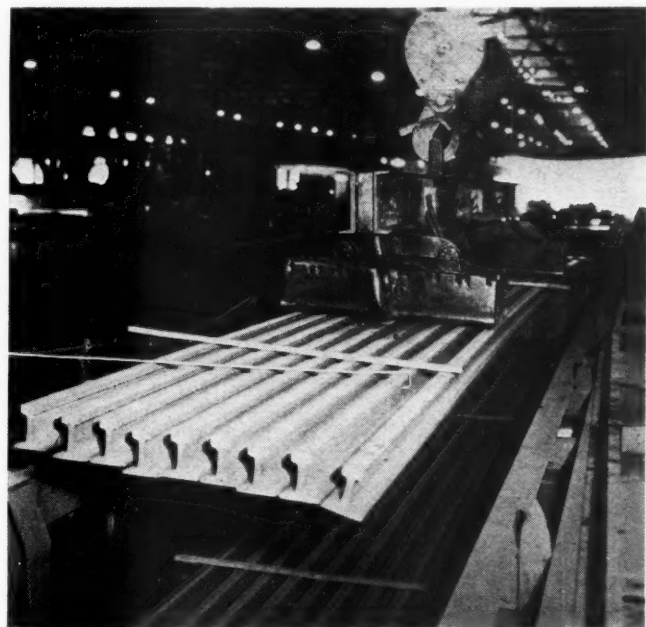
### Methods of Controlled Cooling

The principal commercial methods of controlled cooling of rails are the Sandberg method, developed in England, and the Mackie method, developed by I. C. Mackie of the Dominion Steel & Coal Corporation, Sydney, Nova Scotia. Although developed primarily to improve the properties of rail steel, the Brunorizing or normalizing process, as carried out at the Gary works of the Carnegie-Illinois Steel Corporation, also reduces the number of shatter cracks in rails.

The Sandberg method of controlled cooling of rails is based on the theory that shatter cracks are formed in cooling through the maximum strength range of rail steel, about 350 to 500 deg. C., or 662 to 932 deg. F., the peak tensile strength occurring at between 350 and 400 deg. C. according to Dupuy's work.\*

In carrying out the Sandberg process, the practical temperature range of 932 to 662 deg. F. is established as that in which the cooling of the rails is controlled in order to eliminate shatter cracks. After the rails leave the hot saw they are allowed to cool in air to just above 932 deg. F., following which they are charged into a protected enclosure or possibly a preheated chamber in which the temperature of the rails is equalized. Then, cooling of the rails is retarded down to 662 deg. F. in an intermediate enclosure, after which they are cooled normally in the air, as desired, or are further controlled-cooled.

The Mackie method of controlled cooling of rails is based on the theory that shatter cracks occur in the "blue brittle" range of about 200 to 300 deg. C. (392 to 572 deg. F.). Therefore, in this method, rails are cooled on the hot bed until they are below 932 deg. F., but above 662 deg. F., when they are transferred from the hot bed and placed in cooling boxes. Enough rails are placed in the boxes so that the time of cooling to a temperature of 100 deg. F. above atmospheric is not less than 15 hours. PbCl<sub>2</sub> has been used to indicate when a temperature of 932 deg. F. is reached. If the salt does not melt when placed on the head of the rail,



A Large Magnet Crane Loading Rails Into a Controlled-Cooling Box

retarded cooling of rails from the heat at which they are rolled.

Many attempts have been made to link the shatter-cracking tendency of rails with the open-hearth process of making steel or common mill practice without any particular success. Some of the trends found toward a correlation are as follows:

(1) The heavier the rail section the more susceptible it is to shatter cracking.

(2) The higher the chemistry, the greater the susceptibility to shatter cracking.

\* Journal of the Iron and Steel Institute—1932—No. 2.



the rail is considered as being below 932 deg. Likewise, if a pinch of  $KC10_3$  salt placed on the head of the rail melts, the rail is considered to be above 662 deg. F. Both the Sandberg and Mackie processes have attained remarkable success in eliminating shatter cracks.

### A. R. E. A. Specifications

The controlled-cooling practice set up in the United States under a tentative American Railway Engineering Association specification is a compromise method, which permits controlled cooling in the ranges of both the Sandberg and Mackie processes. Rails are charged into boxes between 725 and 1,000 deg. F. and are cooled at such a rate that they reach a temperature of 300 deg. F. in 15 hours or more. To illustrate the working of this method, a description of the Inland Steel Company's installation and a few illustrations showing the operations are presented. The Inland installation, with the exception of one, is probably representative of the usual layout, the exception being that of the Gary works, Carnegie-Illinois Steel Corporation, which is using insulated and covered gondola railroad cars successfully as controlled-cooling enclosures.

The present controlled-cooling equipment consists of 16 controlled-cooling boxes arranged in two adjacent rows of 8 boxes each. Each box, which is made of corrugated galvanized sheets, is 48 ft. long by 8 ft. high and 6 ft. 3 in. wide, and is provided with tight-fitting insulated covers and an insulated bottom. Provision has been made so that two boxes can be combined end to end, to permit rails as long as 66 ft. to be controlled-cooled. In charging the boxes, the rails are picked off the hot bed in lifts of 8 to 11 at a time, depending upon the rail sections, at a temperature generally between 800 and 1,000 deg. F., and are placed in the boxes. A series of 1¼-in. spacer rods are used to divide the lifts from each other and thus permit magnet charging. Furthermore, a thermo-couple attached to a recording instrument is placed in the center of the charge of rails in each box, which makes it possible to observe the progress of cooling.

The controlled cooling of rails, as practiced by the Inland Steel Company, based on the examination of several thousand etch tests of controlled-cooled rail sections as well as service records, has eliminated internal shatter or thermal cracks completely. Tests have been made on adjacent rails from the same ingot, some hot-bed cooled and the others controlled-cooled. When shatter cracks have been found in a heat, they have been in the hot-bed rails and not in the adjacent pieces of controlled-cooled rails.

A comparison of the properties of controlled-cooled and hot-bed-cooled rails shows no difference in grain size, as is to be expected, and very little difference in tensile properties, the tendency being toward a slightly higher elongation and reduction in area. The Brinell hardness is very nearly the same, the maximum lowering found in various comparative tests amounting to 2 to 7 points. There is little difference also in impact tests, notched or unnotched, at normal or sub-zero temperatures, although the tendency is for higher values in the controlled-cooled rails.

In comparative drop tests of controlled-cooled and ordinary rails an average of one or two more blows have generally been required to break the controlled-cooled rails than the ordinary air-cooled rails. Permanent set at first blow and total elongation show little difference, although, generally, they are a little higher. Controlled-cooled rails do not have quite the amount of spring in them that hot-bed-cooled rails have.

Generally speaking, in addition to being free from shatter cracks, indications are that controlled-cooled rails are a little better physically than hot-bed-cooled rails, and should have as good wear resistance in track under service conditions. Of primary importance, of course, is the fact that there is every indication that the controlled cooling of rails will eliminate transverse fissures in track, and certainly those which originate from shatter cracks.

## Santa Fe Gets Seven New Cars from Pullman-Standard

(Continued from page 665)

and the window shades are the same henna-striped material as used in the main compartment.

**Baggage-Dormitory-Chair Car.**—About 20½ ft. in one end of this car is devoted to baggage space and 15 ft. to crews' quarters. The main chair compartment, about 33 ft. long, is done in tones of blue, brown and silver. The carpet is a small pattern in shades of blue, silver, black, and brown. The walls and ceiling are in blue tones with the ceiling in old ivory. The seat covering is a two-toned brown textured material and the window shades are in a silver gray with the pattern forming a diamond motif. The men's and women's rooms, occupying 5½ ft. in the end of the car, are alike and have ceilings of old ivory and walls of brown drab. The floor covering in both rooms is two-toned green jasper linoleum and the window shades are in three tones of green in a fine-line pattern applied horizontally.

**Baggage-Chair Car.**—Slightly over 30 ft. in one end of this car is devoted to baggage space. The general color schemes for the 36-ft. main compartment are in green and rose. The floor covering is rose taupe jasper linoleum with an inlaid aisle strip of the same material, but so arranged that the lines run in different directions, forming a running diamond pattern. Border strips on either side of the inlaid aisle are in cream and brown marbelized linoleum. The ceilings in the chair compartment are in old ivory, upper walls are in azure green, middle walls are in opal green, and wainscotings are in emerald green. The chair seats are upholstered in a roseberry coloring with a two-toned design, and the material is so applied as to have a horizontal stripe effect. The window shades combine the wall colors and seat-covering colors—shades of green and rose—applied horizontally. The men's and women's washrooms occupy about 7 ft. in the opposite end of the car from the baggage room and have the same general color scheme as the passenger compartment.

Vestibules in all the cars have walls and ceilings in bright stainless steel and floors of French gray marbelized Pneu-tile.

\* \* \*



Photo Courtesy L. W. Bohn

The Northern Pacific's "North Coast Limited," Eastbound, Arrives at Jamestown, N. D.

## Two Accidents on the Illinois Central

**T**HE Bureau of Safety of the Interstate Commerce Commission has issued reports of investigations of two rear-end collisions on the Illinois Central, one at Mattoon, Ill., on November 19, 1939, and the other at Arcola, Ill., on January 1, 1940. The following information is taken from these reports.

Both of these accidents occurred on the double-track main line between Champaign, Ill., and Centralia, on which trains are operated by time-table, train orders, and an automatic cab-signal and train-stop system, without wayside signals except at interlockings. A major contributing cause of both accidents was the fact that the automatic train-stop and cab-signal apparatus on the locomotives of the second train in each accident was out of service.

### The Mattoon Accident

In the accident at Mattoon, a southbound freight train, No. 87, standing on the southward main track, was struck in the rear by southbound passenger train No. 1, running on the same track, resulting in the injury of two passengers, five dining car employees, and one train service employee. Train No. 87 had stopped at Mattoon for the purpose of crossing over to the northward track, but this movement was delayed on account of the northward track being occupied. This train had previously received an order reading in part "Use 10 min. on No. 1."

No order had been issued to train No. 1 to run late, and when it passed Dorons, 4.9 miles north of Mattoon, it was running 7 min. late. Considerable discrepancy was shown in the testimony with respect to the time which was available for the flagman of No. 87 to protect his train. Evidence indicates that "he had proceeded to the rear about two or three car lengths when he saw No. 1 approaching about two miles away, whereupon he lighted a fusee and waved stop signals as he ran, having reached a point about 25 car lengths (approximately 1,500 ft.) from his caboose when No. 1 passed him."

The engineman of No. 1 had been assigned to this run for five years, and "through an oversight he failed to cut in the automatic cab-signal and train-stop apparatus and to make the usual tests before departing from Champaign." During the 44-mile portion of the run, he failed to note that the cab signal was not in operation and also failed to note the absence of the audible signal which should have been given by the train-stop warning whistle when passing the dead sections at the home signals at each of the three interlockings between Champaign and the point of accident. After the engineman saw the flagman's signals, "he observed that the cab signal was not displaying an indication, and realized then, for the first time, that the automatic cab-signal and train-stop system was not cut in service. He turned the switch to the "on" position and immediately the cab signal displayed a red aspect."

### The Accident at Arcola

In the accident at Arcola, northbound passenger train Second No. 4 had made a stop to pick up a passenger, and had moved two or three car lengths when the rear was struck by northward passenger train No. 6. The accident resulted in the death of one passenger and the injury of 105 passengers, 17 dining-car employees, 1 club-

car porter, 1 Pullman porter, 1 train porter, and 2 train-service employees.

"When the brakes were applied for the station stop at Arcola, the flagman of Second No. 4, who was on the rear end, observed the headlight of No. 6 about two miles distant. He dropped a lighted fusee which bounced and rolled against the gage side of the west rail and did not blaze properly. After getting off the train at Arcola and observing that the fusee was not burning, he got back on the train to get another fusee. By this time his train had started and, in his haste to get off again, he slipped and fell. Before he was able to light the fusee, the collision occurred."

The train-stop and cab-signal apparatus on the locomotive of train No. 6 had failed to operate properly and had been cut out at LaCleda, 60.6 miles south of Arcola. The dispatcher being advised to this effect, a message had been sent and delivered to the crew of Second No. 4 which in part read: "Automatic train control has failed on No. 6's engine. Do not give them a short flag."

A single-track line of the Pennsylvania crosses the Illinois Central 1,197 ft. north of Arcola station; this crossing is protected by an interlocking, with the northward I. C. home signal located 615 ft. north of the station. At the time of the accident, the plant was lined for the I. C. and this signal was clear.

When approaching Arcola and when about 1¼ miles distant, the engineman of No. 6 could see the green aspect of the home interlocking signal, and he called its indication to the fireman, who replied. The engineman thought that the green aspect was displayed for his train. Upon reaching a point 700 or 800 ft. to the rear of Second No. 4, the engineman and the fireman simultaneously observed its rear end. At this time the speed of his train was about 50 m.p.h. and he applied the brakes in emergency, but too late to avert the collision.

A part of the rules, which apply when the train-stop and cab-signal equipment is out of service, reads as follows: "to proceed at a speed considered safe, taking weather conditions into consideration, and approach all facing-point switches prepared to stop." "It is clearly apparent that the management's interpretation of these requirements was not enforced, as the investigation disclosed that, during the six-month period prior to the day of the accident, 10 trains which were operated over this district with the automatic train-stop devices inoperative, made up time varying from 6 to 17 minutes on their schedules."

"In general practice throughout the country, one or another of the following measures is adopted in case of a failure en route of automatic train-stop, train-control or cab-signal devices:

1. Substitution of an engine with equipment in proper operative condition.
2. Protection by absolute manual block system.
3. Continued operation of engine with equipment cut out but at materially reduced speed.

"All these alternatives were available to the Illinois Central in this case. A freight engine which was equipped for passenger service was available at Edgewood, 56.7 miles south of Arcola, and there were eight train-order offices between Branch Junction and Champaign which could have been utilized as manual block offices; however, the investigation indicates that neither of these alternatives was adopted principally for the reasons that some delay would have resulted and no provision had been made for establishing a manual block system under these conditions; it is apparent that delay also would have resulted had the third alternative listed above been employed."

The Commission concluded its report with the state-



ment that "this accident was caused by failure to provide flag protection for the preceding train and by operation of the following train with inoperative automatic cab-signal and train-stop equipment without providing adequate protection" and recommended "that officials of this railroad promptly take necessary steps to provide adequate protection for train movements when automatic cab-signal and train-stop equipment is inoperative."

## S. 2009 Conferees Now Waiting for Truman

WASHINGTON, D. C.

**H**AVING waited the first two weeks after their March 23 session for Chairman Wheeler of the Senate committee on interstate commerce to return from his California trip, conferees on S. 2009, the omnibus transportation bill, have further postponed the resumption of their meetings until about April 16 when Conferee Truman is expected to have returned from a trip to his home state of Missouri where he is facing a Democratic primary fight in connection with his bid for renomination. Meanwhile, however, it is understood that the further postponement was also desirable from the standpoint of giving the legislative drafting service additional time to complete their work on the revised bill.

As pointed out in previous issues, the conferees left their March 23 meeting with agreement reached on all matters save the Harrington "labor-protection" amendment; and some recommendation in connection with that provision is expected to have been framed by the House members by the time the conference sessions are resumed. Nevertheless the delay in getting together for the concluding sessions out of which the conference report is expected to come has caused doubt in some quarters as to whether the bill will be finally enacted at this session. In that connection, however, House Majority Leader Rayburn said this week, as he and Senate Majority Leader Barkley were leaving the White House after a conference with the President, that S. 2009 was among the measures which would go through before adjournment, now expected to come between June 1 and 10. That schedule would presumably leave a little over a month in which to push through the conference report if it does not come out for another couple of weeks or so, as now seems likely.

### Hobbs Introduces Bridge Bill

Seemingly to make sure of that section of S. 2009 in which he has been particularly interested—the so-called bridge provisions—Representative Hobbs, Democrat of Alabama, this week proposed similar legislation in a separate bill, H.R. 9292. Like the similar provisions of S. 2009 and the so-called Truman-Hobbs bill which passed last year only to get a Presidential veto, Mr. Hobbs' new bill is designed to provide relief for railroads with respect to the cost of reconstructing bridges required to be altered in connection with waterway improvements. As noted in the *Railway Age* of March 23, the conferees are understood to have agreed that the bridge provisions should be omitted from S. 2009 unless they can obtain assurances that the President's attitude has changed since last year when he vetoed the separately-enacted measure.

Meanwhile debate on S. 2009 has continued in the form of "extensions of remarks" appearing in the ap-

pendices to recent issues of the Congressional Record. Following up on his April 2 remarks which were reported in last week's issue, Representative Culkin, Republican of New York, came through again on the next day, calling attention to the defeat in the New York Assembly of the proposal to impose tolls on the waterways of that state. Mr. Culkin thought it would interest his colleagues to know that members of the New York Assembly "have no illusions about the value of waterways in a balanced system of transportation"—even though interstate traffic accounts for 80 per cent of the tonnage moving on the Oswego and Erie canals which New York state dug "at a cost of some \$230,000,000 and is maintaining at a cost of \$3,000,000 a year."

Defeat of the tolls proposal, Mr. Culkin called "a popular victory won by an aroused people" which "should give heart to those in Washington who have been fighting the Wheeler-Lea bill, S. 2009." The latter, he asserted, "prescribes certain death to the nation's waterways through the medium of regulation of the railroad-minded Interstate Commerce Commission" under the auspices of which "all waterways will be given the kiss of death." The New York episode was "only an advance-guard engagement," Mr. Culkin went on, adding that the "real battle will come here in Washington when the Wheeler-Lea bill . . . comes into the House from conference." He therefore urged his colleagues "to remember that the smashing defeat of the railroad lobby in New York is but typical of how the rest of the country feels about this legislation;" and he hopes that the House "will likewise carry the banner in the interests of the consumer, farmer and manufacturer."

### Mansfield Fears for Coastwise Ships

In the appendix the April 8 issue of the Record went and "extension of remarks" by Representative Mansfield, Democrat of Texas, chairman of the House committee on rivers and harbors. Mr. Mansfield asserted that S. 2009 "was drafted under the direction of a committee-of-six, all representing railroad interests;" and "the general public, the shippers, farmers, and others who have all the bills to pay, were never consulted, but completely ignored." Mr. Mansfield has heard but two reasons advanced for the enactment of the bill—the financial plight of the railroads, and the claim that all transport agencies should be subjected to equal regulation. The first of these, he said, "is absolutely without foundation in truth," while the second "is without any reason whatsoever."

Continuing, Mr. Mansfield made frequent references to the Interstate Commerce Commission as "the railway commission" as he proceeded to express concern over the possible ramifications of I. C. C. regulation of coastwise water carriers. "If our coastwise shipping is to be placed under railroad rates," he said, "then our merchant marine will soon cease to exist. It should be plain to all that if forced to give to the railroads a large proportion of the coastwise and intercoastal trade as contemplated by this bill, while approximately two-thirds of our foreign trade will continue to be carried in foreign bottoms, then the government will be required to pay enormous ship subsidies in order to utilize our great navy, and maintain the American flag upon the high seas.

"In all the railroad discussions, a studied effort has been put forth to draw public attention away from that feature of the bill pertaining to water transportation in the coastwise and intercoastal trade, and especially that



portion of it in the Gulf of Mexico. They knew that the country had been covered with the railroad propaganda in opposition to river improvement and navigation, and that many thousands of people had been misled and prejudiced against that type of transportation. Their effort has been to play upon that prejudice . . . They have magnified the Ohio and Mississippi river transportation . . . Yet we find that only five per cent of the traffic on this river was moved by common carriers . . . The tonnage of the government barge line has been represented as a destroyer of the railroads. Yet the record shows that the government barge line in 1939 carried only 2,175,198 tons of freight . . . It is not the volume of freight carried by the barge line that the railroads are objecting to. It is the yardstick they want to get rid of."

Returning to the Gulf of Mexico, Mr. Mansfield addressed himself to the proposed certificate of convenience and necessity provisions of S. 2009's water-carrier section. He asserted that no boat would be permitted to operate on the Gulf without a certificate "from the railroad commission," which certificate "will be refused" if the boat proposes to carry freight that "might be contended for by the railroads." Finally he presented a table showing a comparison of all-rail rates with rail-water-rail and rail-water rates on selected commodities "of heavy volume movement" between Texas and Oklahoma ports on the one hand, and North Atlantic ports and interior New England cities, on the other. The table, he said was used to illustrate what would happen to rates if S. 2009 were enacted. Then he went on to mention what railroads had got in the past in the way of land grants, adding that passage of the bill would amount to giving them "our rivers and canals and a quitclaim deed to the Gulf of Mexico and the Atlantic and Pacific Oceans." Mr. Mansfield hoped that "the railroad lobby will not demand more of Congress at this time."

In the appendix to the April 9 issue of the Record appeared an "extension of remarks" by Representative Van Zandt, Republican of Pennsylvania, whose subject was "Sabotage of Wheeler-Lea Bill by Inland Waterway Interests." Mr. Van Zandt undertook to "unmask" the newcomers among the "staunch friends of the railroads" and show them to be waterway boys "bent on sabotaging" the bill. Advocates of the defeated amendment to strike the water-carrier provisions from the House version, Mr. Van Zandt said, "have now blossomed forth like the coming of spring and parade themselves as staunch friends of the railroads of this country;" and "they have disseminated propaganda that would lead one to believe that everybody is opposed to S. 2009."

In the latter connection Mr. Van Zandt proceeded to look at the record, and found the President in favor of the bill as recently as March 8 "when he rebuked the three Santa Clauses of the Administration, Secretary of Agriculture Henry A. Wallace, Secretary of War Harry Woodring, and Admiral Emory S. Land, chairman of the United States Maritime Commission." The railroad men of the country, the Pennsylvanian went on, "have noted with gratitude President Roosevelt's rebuke of these three stalwarts of the present Administration, who in the absence of the Chief Executive 'talked out of turn.'"

Among others favoring the regulation of water carriers by I. C. C., Mr. Van Zandt listed the Interstate Commerce Commission; Major General T. Q. Ashburn, former president of the government owned Inland Waterways Corporation; Harry C. Ames, counsel for the Mississippi Valley Barge Line Company; and Edward P. Farley, chairman of the executive committee of the American-Hawaiian Steamship Company, and former

chairman of the United States Shipping Board. Also, Mr. Van Zandt cited utterances of Senator Wheeler to the effect that large users of the waterways do not pass on their savings in transport costs to consumers. "Despite extravagant claims by proponents of the inland waterways," he added, the consumer in the final analysis "gets nothing in return for the millions of dollars granted by the government in subsidies to water transportation."

In conclusion Mr. Van Zandt spoke as one "who has spent 24 years in the railroad industry as a humble employee," advising his colleagues "to beware of the efforts of those who profess to be friendly to the best interests of the railroads, but who, in reality, are bent on sabotaging this needed legislation."

## Portable Electric Dishwasher

**T**HE Surgex electric dishwasher, first introduced in 1924 by the Surgex Manufacturing Company, Oakland, Calif., has been installed in the dining-car kitchens of regular and streamline trains on several railroads. It will handle from three to ten thousand pieces per hour, depending on the arrangement of the sinks and the speed of the operator. The name, Surgex, was derived from the powerful surge of water, 280 to 300 gallons per minute, that is driven forcefully against the surface of the dishes.

This electric dishwasher consists of only three parts, the body, the motor, and the impeller. These parts are assembled into a compact, portable unit, 7 in. by 11 1/4 in. by 30 in. high, weighing 65 lb. The vertical 1/2-hp. motor is totally enclosed to prevent damage by the water and steam. The motor bearings are sealed against grease leakage and require lubrication every two years. The

The Surgex Electric Dishwasher Will Handle from Three to Ten Thousand Pieces Per Hour



perfectly balanced impeller is connected to the motor by a flexible coupling on the impeller shaft. A strainer keeps food particles and other foreign materials from becoming entangled in the impeller. The smooth, vitreous, enameled body has no sharp corners or recesses to collect food particles and the inside of the body is self cleaning through the action of the hot water. Handles permit the dishwasher to be quickly removed from the sink for cleaning.

Each Surgex is furnished with one overload switch and cord and six baskets, three for chinaware, and one each for silverware, cups, and glasses. All baskets are a standard size. The cup and glass baskets each hold 24 cups and 24 glasses, respectively.

# Communication . . .

## Col. Wilgus' Advocacy of Railroad Socialization

WASHINGTON, D. C.

### TO THE EDITOR:

I note in your issue of March 23, 1940, a report of the debate on the question "Do the railroads of the United States face nationalization?" held before the District of Columbia Section of the American Society of Civil Engineers, on March 15, in which Col. William J. Wilgus, honorary member of the American Society of Civil Engineers, took the affirmative and M. J. Gormley of the Association of American Railroads the negative. This report is quite fair and informative, though lacking some high points of the debate.

Your comment on your "Week at a Glance" page, however, in your March 23 issue, under the heading "Wilgus R. R. Socialist," is very misleading and unfair. I trust that, on due consideration, and in fairness not only to Col. Wilgus but the dignity of the *Railway Age* and to the proper information of your readers, you will publish the following in your column, of course with such further comments as you may elect to make.

### Why Nationalization Threatens

I have for some time been studying, from the detached standpoint of unofficial observer, the sad saga of the vital railroad problem, and always with the hope that some rational and equitable solution of this problem could be found as an escape from nationalization, which seems steadily approaching through a combination of ineffective corporate management, competition of other transport facilities, and partial government controls. This was a subject for grave consideration by government officials and economists long before Col. Wilgus out of the fullness of his wide experience and keen civil interest, sounded his challenging warning in the October, 1939, issue of *Civil Engineering* (the official publication of the American Society of Civil Engineers).

In this he held, and still holds, that in default of some better solution, nationalization of the railroads and perhaps of other common carriers appears inevitable. In checking up this point of view, I found those with considerable knowledge of transportation conditions and freedom from bias strongly, though reluctantly, inclined to agree with him. On the other hand I found insistence that the present order could and should be maintained only with those whose immediate special interest would be served thereby, and with "the great majority of ordinary folks," to whom you refer without enough knowledge of the subject to be entitled to a serious opinion.

The debate staged by the D. C. Section of the American Society of Civil Engineers was an attempt to stimulate thought on the subject along rational and unprejudiced lines. I do not, of course, know the extent to which this may succeed and do not propose to discuss here the merits of the opposing points of view; but I do hold that the above quoted editorial comment is discourteous, misleading and unworthy of the *Railway Age*.

### Special Pleadings and Wishful Thinkers

Col. Wilgus is *not* a "railroad socialist," however in error he may be as to facts and his premises based thereon. As an outstanding railroad authority, he has made an intensive and judicial study of transportation conditions and trends, and set forth his views concretely and clearly as to how the situation can best be dealt with. Despite a diligent search I have found no refutation of the factual and documentary evidence he cites nor of his conclusions therefrom. I have thus far found in opposition only special pleading in behalf of special interests, and unreasoning, wishful thinking on the part of your "great majority." On the other hand I have been surprised and disappointed by the extent and character of concurrence with Col. Wilgus' views I have encountered among those who have given the subject adequate thought.

I am still hopeful that some safe way of escape from nationalization of the railroads can yet be found and I am convinced that

Col. Wilgus himself would welcome it, but such a way will not be found through blind adherence to the existing order wherein the seeds of disintegration seem to be multiplying fast, and whence we may emerge into an *unreasoned* and chaotic nationalization, even worse, if we persist in playing ostrich and ignoring obvious facts.

R. S. BUCK

Member American Soc. of Civil Engineers.

EDITOR'S NOTE.—Socialism is state ownership of the means of production, and that is a condition which Col. Wilgus has argued should be accepted for the railroads. A man who advocates the prohibition of the manufacture and sale of alcoholic beverages is a prohibitionist, and a man who advocates the socialization of the means of production is a socialist. (That he grounds this advice on "inevitability" rather than upon some other reason does not alter the accuracy of the characterization). We fail to see wherein we have in any way been unfair or misleading by speaking of Col. Wilgus as a "railroad socialist."

Col. Wilgus is a distinguished, able and public-spirited citizen and he has a right, not only to his opinion, but to seek to the best of his ability to gain converts to it. But the editors of this paper also have a well-considered opinion on this subject, and this opinion is that socialism is an evil *per se*; and we believe that most readers of *Railway Age* share this opinion, and know why they do so. In commenting upon questions where socialism enters in, it is no more incumbent upon us to discuss the pros and cons than it would be upon our correspondent, in addressing an audience of engineers, to begin by reciting the multiplication tables.

### The ABC of Socialism

However, the ABC of socialism vs. private enterprise can be expressed briefly, and here it is: Socialism is incompatible with human freedom, because it "produces for use and not for profit"—i. e., it is not concerned with permitting people to proceed as best they can to fulfill their desires for economic goods, but proposes to give them the articles and services that some group of serious thinkers *believes* they want or *believes* may be good for them. Under a system of free enterprise, every man gets a vote on the kind of economic surroundings he desires every time he spends a nickel—and these surroundings are constantly and automatically altered to fit the citizen's changing wants. But when political power enters the economic picture, it inevitably substitutes the will of bureaucrats and legislators for that of the citizen. At best, the citizen gets a whack at deciding what he wants only at election time—once in two years; and then he can express only vague and general preferences. But, under private enterprise, he acts throughout all his waking hours, as he spends his income cent by cent, to direct the productive energies of hundreds of industries, of thousands of companies and perhaps millions of wage earners.

It is crystal clear that, if socialism ever gives the people the economic satisfactions they really want, it can do so only by accident or by clairvoyance—whereas free private enterprise, to the extent that it is permitted to function, is constantly directed by the malignant "profit motive" to producing the goods the people most desire. It is the only system which can possibly maximize the material well-being of a people.

So we do not apologize for not liking socialism—nor for failing to encourage railroad people to waste their time listening to arguments attempting to persuade them to accept an economic order which is essentially tyrannical; and whose manifest and intrinsic evils we give them credit for knowing already.

### Col. Wilgus on Railroads' Physical Needs

Col. Wilgus argues that the railroads need a great deal of new capital to effect their rehabilitation and bring them up to modern standards required for the national defense and for the efficient transportation of the nation's commerce. He also points out that railroad rates are much higher in relation to commodity prices than they were before the World War; and that this relationship has driven shippers to seek "cheaper" methods of transportation.



In general (i. e., without giving critical examination to Col. Wilgus' specific figures) we agree with both these observations. He states further that, under private ownership with present earnings' prospects, the railroads can neither command the new capital they need nor make the rate reductions their customers demand. We agree with that too.

So—Col. Wilgus argues that, the country requiring a service from the railroads of a quality and a cheapness it is not likely to get under the present regime of dealing with the railroads, government ownership and operation are inevitable; so let's admit defeat and try to make the best of a bad job. At this point we part company with him.

We agree that government ownership is far from unlikely—but we do not admit that it is either inevitable or that, if it comes, it will contribute anything toward the solution of the country's basic transportation malady—i. e., the wasteful disposition of capital and labor in providing transportation. Because, getting down to rock bottom, the basic fact behind all the complaints about transportation is: It costs too much.

Will railroad transportation cost any less when and if, under government ownership, the taxpayers are required to contribute to its provision, instead of relying wholly, as at present, upon private investors and railway patrons? The likelihood—if the way the government usually performs its functions is any criterion—is that it will cost a great deal more, no matter what kind of a "public authority" is put in charge. Col. Wilgus apparently would not agree with this judgment—in his optimism he believes government operation can be made to function with some measure of efficiency. But the weight of actual experience with government enterprises—especially with our "pork barrel" heritage—supports, we believe, a contrary view.

Anyhow, even Col. Wilgus does not appear to look upon government ownership itself as a solution to the country's transportation problems—else he would not have to concern himself with the *method* of government operation. In our view, government operation of the railroads will not solve the basic problem of waste in providing transportation—but will make that problem impossible of solution. All government ownership will do will be to put a part of the costs of railroad transportation on the taxpayers, where so large a part of the costs of highway and waterway transportation already lie.

#### Diluted Socialism Is All That Now Ails Transportation

There is nothing the matter now with the railroads which has not arisen from political meddling. One hundred per cent socialism cannot be the cure for the evils of the existing 50 per cent socialism in transportation any more than two drinks of carboic acid can be the antidote for the evil effects of one. Let us be specific:

1. The railroads have not consolidated to the extent which sound economy (and private advantage, both of railway investors and railway patrons) demands, because political obstacles have been interposed in the way of such consolidation. We do not go as far as some observers do in considering consolidation a panacea for most difficulties of the railroads. All the same, voluntary consolidations, activated by the much disparaged "profit motive," would contribute a great deal both toward improving railroad credit and toward enabling the carriers to make the rate reductions for which their patrons clamor, and the absence of which has fostered the development of competitive agencies of transportation.

Since politics has prevented the junking of lean railway mileage and inefficient facilities through consolidation under private ownership, it takes an extraordinary optimism indeed to foresee any appreciable savings of such character if the carriers are publicly owned and operated frankly "for use and not for profit."

2. The railways are nearly profitless, and unable to make rate reductions necessary to attract traffic and thus reduce their unit costs, for the further reason that billions of dollars of public money have been poured into highways and waterways, without commensurate commercial payments therefor from the users. Will the taking over of the railways by the government automatically silence the pressure groups which continually work for increased highway and waterway appropriations? Of course it will not—as a matter of fact, the socialization (and consequent subsidization) of the railways will give these pressure groups an argument for further subsidization of their agencies which they are not now able truthfully to use.

3. The railways are without adequate earnings and unable to make large-scale rate reductions, in part because the political power of railway employees has been used to establish some wage rate and working conditions which are onerous. Since such power has been effectively exerted despite the resistance of private owners and managers, is it likely that this power would be less effective if the resistance of private owners and managers disappears? While it seems quite likely that government ownership might greatly weaken the influence of the railway unions (as appears to be happening under the socialization of the New York subways)—what management of a socialized enterprise with 1,000,000 employees is going to be allowed by the politicians to deal otherwise than with extreme generosity with a bloc controlling perhaps 5,000,000 votes?

As enumerated in points 1, 2 and 3 above, it seems to us that the elimination of waste, and consequent high costs, in transportation will be far harder to achieve under railroad socialization than under private ownership. Rather than speculate regarding the impossible task of making transportation efficient after it becomes a 100 per cent political enterprise, it would seem to us more profitable to attempt the difficult job of eliminating the existing incursions of politics which are responsible for every one of our transportation evils.

#### Why Government Ownership Tempts Some

As an expedient to bail out railroad investors and to provide a quick revival in railroad expenditures for capital improvements, government ownership is tempting bait. Nevertheless, every compromise with socialism (just like every compromise with Hitler) makes it stronger. Taxes on private industry are ruinous enough as it is. If the government takes over the railroads, Col. Wilgus apparently would have them continue paying local taxes—but they could do this only at the expense of federal taxpayers, unless they could operate at a profit under government ownership—which there is no scintilla of reason for supposing they could do, considering the political pressure there will be upon them to "make jobs," reduce rates and retain unprofitable services.

Private tax-paying enterprise is already supporting a capital investment of over 20 billion dollars in transportation plant (highways and waterways) which escapes the tax rolls. Government ownership of the railroads would take another 20 billion dollars of property off the tax lists (despite Col. Wilgus' intentions to the contrary). How much longer can private property and private enterprise hope to continue as such, with government expenditures constantly mounting and the *proportion of taxable property to total* constantly diminishing?

Moreover, while a quick and thoroughgoing revival of railway expenditures under government ownership would certainly provide welcome business to the industries which supply railway materials (and nobody desires their prosperity any more heartily than *Railway Age*)—if previous experience of government dealing with concerns who do business with it is any criterion, such a business revival would likely be secured only at the price of eventual government dictation of the internal affairs of these concerns. Socialism, having been "appeased" in the case of the railroads, would pause only to consolidate its victory before pouncing on another and another industrial victim. And one of these fine days America will wake up with "five-year plans" and all the other folderol which have brought the people of Europe to serfdom, to starvation and to war.

#### Not All "Inevitable" Things Deserve a Welcome

As great as is the danger of railroad socialization, there isn't anything "inevitable" about it except that human folly may be inevitable. Only if it is impossible for a free people to retain their freedom is railroad socialization inevitable. Even if it is inevitable, so far that matter is death—yet the man who embraces death voluntarily through suicide scarcely commands our admiration. Rather than attempt the vain task of saving the fool from the consequences of his folly by sugar-coating the government ownership pill for the zany who may insist upon taking it, the wiser course for the socially-minded educator on transportation questions ought to be to persuade the fellow to be a little less the fool. Such at any rate is the reasoning which prompts us, with the greatest esteem for Col. Wilgus and respect for his high purpose, to be lacking in sympathy for the line of action he is pursuing.

# NEWS

## \$25,000,000 Cut from River Pork

Appropriations committee gets economical as authorizers urge bigger handouts

Trimming \$25,000,000 off the \$93,009,110 recommended by its sub-committee, the Senate committee on appropriations on April 9 approved an appropriation of \$68,009,110 for maintenance and improvement work on rivers and harbors during the fiscal year ending June 30, 1941. The item was included in the War Department civil functions appropriation bill (H. R. 8668) which the committee reported to the Senate.

The comparable figure for the current fiscal year ending next June 30 is \$96,000,000, while the present bill passed the House with a \$66,721,510 rivers and harbors appropriation. The budget estimate for fiscal 1941 was \$68,773,050.

Meanwhile the Senate committee on commerce has filed its report on the \$231,000,000 rivers and harbors authorizations bill (H. R. 6264) which was approved by the committee on April 2, as noted in last week's issue. Each project proposed to be authorized, except the largest (the \$66,000,000 Tennessee-Tombigbee waterway), and the \$23,700,000 Umatilla Dam, the report says, "has been approved by the Chief of Engineers without qualification." With respect to Tombigbee, the Chief of Engineers, as the report put it, "qualifies his approval with the statement that 'intangible or indirect benefits must be considered in addition to the direct savings in transportation costs in order that this project will show a substantial excess of benefits over costs', and he adds that these intangible or indirect benefits 'are difficult to evaluate' and that they appear 'to be questions falling within the realm of statesmanship to which the Congress can best assign the proper values'."

Continuing, the report undertakes to soften the \$231,000,000 blow by calling "special attention" to the bill's section 9 which stipulates that no appropriations for projects authorized in the bill "are to be made available prior to July 1, 1941, and that the work on these projects shall be extended through a period of seven years." "Since the bill purports to authorize appropriations amounting to \$231,090,950," the report adds, "the annual appropriation in contemplation is only one-seventh of this sum—that is, at the rate of less than \$34,000,000 a year."

Next comes comment on the backlog of

### Engineer Gordon Rides the Rails Daily in NBC Program

Railroading now joins aviation, supermen of Mars and gang-busters in supper-time radio drama for youngsters and their elders who like melodrama. On April 1, the National Broadcasting Company inaugurated a series known as "Rocky Gordon—Engineer" to be heard daily Mondays to Fridays, inclusive, at 6:45 p. m. (e.s.t.) over the NBC-Red network. Originating in Station WEAJ in New York, the episode series describes the life and adventures of "Rocky" and Conductor "Horseface" McCannon on the B. T. & T., mythical mid-western railroad, with excellent sound-effects and dialogue. The program may help to make young America railroad-minded once again.

authorizations, which recently prompted President Roosevelt to suggest that there be no authorizations bill this year. In that connection the report says in part: "In view of statements that there is outstanding an enormous amount of authorizations for river and harbor projects, attention is directed to the letter (published in the report) of the Chief of Engineers to the Chairman of the Committee on Commerce dated June 6, 1939, which shows the amount required to complete authorized river and harbor projects necessary in the interest of commerce and navigation as \$176,000,000. Excluding from this amount authorizations for construction of power units at Bonneville and Fort Peck there remains for river and harbor projects of immediate value to navigation and on which no substantial delay is expected in the fulfillment of conditions of local cooperation an authorization of \$159,825,750, of which only approximately \$5,000,000 is for projects on which work has not been initiated."

This backlog, the report goes on, will be cut into by the work done under appropriations carried in the 1941 War Department civil functions bill mentioned at the outset. It calculates that the remaining total of authorizations would be less than has existed for many years—"and the present bill will restore a reasonable backlog." The only other pending authorizations, in addition to the foregoing, are set up at a total of \$49,746,300 for projects "on which a substantial delay in the fulfillment of the conditions of local cooperation is anticipated, and those whose prosecution is not now justified in the interests of commerce or navigation."

## Hits Fed. Barge Phony Accounts

Instead of earning 2½ millions as claimed, federal venture is 14 millions in red

The charge that in the 14 years of their operation by the Inland Waterways Corporation the Federal Barge Lines on the Mississippi and Warrior river systems, instead of making a cumulative net profit of \$2,650,000 as claimed, have failed by at least \$14,000,000 to earn what should be regarded as "reasonable financial success" has been made by the Transportation Committee of the Chamber of Commerce of the United States in a report to be considered at its annual meeting in Washington, D. C., on April 29 to May 2.

At the conclusion of the report the committee recommends that, pending the disposal of the Federal Barge Lines to private parties, the Inland Waterways Corporation should establish immediately a basis of presenting financial results comparable to that commonly used by private companies, with depreciation allowances in line with accepted practices, with recognition of the taxes private companies would pay and with a reasonable return on investment. The committee further recommends that the cumulative financial results since the Corporation was created should be recomputed on a similar basis.

The Chamber's membership, the report states, has repeatedly declared that the government should dispose of the Federal Barge Lines to private parties. A confusing element in the situation, it asserts, is the mistaken belief, based on the annual reports of the Corporation, that the operations are paying their way and earning a profit. It is then pointed out that the purpose of the report is to analyze the financial results of the barge line operations on a basis comparable to that which would determine the financial success or failure of a private corporation.

"The Inland Waterways Corporation in its report for 1938 claimed a cumulative net profit during its 14 years of existence in excess of \$2,600,000," the report continues. "The actual situation, however, is obscured, first, by the use of depreciation rates lower than those a private barge line would employ; second, by exemption from expenses which a private enterprise would undergo; and, third, by failure to provide any return on the invested capital. With the first two of these items taken into account it appears that, instead of a profit,

(Continued on page 683)



## Grandpa Rights for MoP Trucks

Certificates denied under grandfather clause granted anyhow, with usual strings

Because the set-up did not meet the requirements of the Dixie Ohio Express Co. decision by making the Missouri Pacific responsible "to the general public as well as to the shipper," the Interstate Commerce Commission, Division 5, has found that that road is not entitled to rights under the Motor Carrier Act's "grandfather" clause on 11 routes between points in Kansas, Missouri and Nebraska which it has been operating through contract truckers. Meanwhile, however, the M. P. got about all it wanted on a showing of public convenience and necessity for its continued operation on the routes for which it sought the "grandfather" rights and 16 others between points in the same states where operations had been inaugurated after the June 1, 1935, "grandfather" date.

The authority granted, however, is subject to the usual conditions being imposed in cases involving railroads or their affiliates—to insure that the highway operations will be auxiliary to, or supplemental of, rail service. The case was docketed as MC-44609, and the report embraced also No. MC-44609 (Sub-No. 1). The Dixie Ohio Express Co. decision mentioned in the foregoing was reviewed in the *Railway Age* of August 26, 1939, page 325; in it Division 5 answered the question of the status under the Motor Carrier Act of highway carriers who conduct their operations by arrangements with so-called owner-drivers.

The Missouri Pacific operations on which the "grandfather" rights claim was based were conducted under contract, first with Blake Transport Company and since October, 1937, with the Columbia Terminals Company which performs operations at St. Louis, Mo., for railroads serving that city. After looking over the M. P.'s contracts with Blake Transport, the majority found it "clear from a reading of these contracts that Transport on and prior to June 1, 1935, was handling the freight tendered it by applicant as an independent contractor for a specified compensation and under the assumption of all the liabilities of a carrier for hire . . . The situation here is substantially different from that in the *Dixie Ohio case*, *supra*. Applicant definitely recognized the Transport as an independent contractor having full responsibility over and control of its employees as well as of its equipment, and specifically disclaiming any liability for the freight while in the possession of and being handled by the Transport. At no time can it be said that the equipment owned by Transport was being operated under the dominant direction and control of applicant such as to make the operations of the Transport those of the applicant as a carrier by motor vehicle. Although the shipper dealt solely with applicant . . . it does not necessarily follow that the operations

### No Rehearing in Naval Stores Case

Denying petitions of the Evans Motor Freight Line, the Mobile Chamber of Commerce and the Southern Naval Stores Company, the Interstate Commerce Commission has refused to grant a rehearing in the so-called Naval-Stores-to-Gulf-Ports rate case. The commission's decision in this proceeding docketed as No. 27571 and embracing I. & S. 4265 was reviewed in the *Railway Age* of February 3, page 254.

of an independent contract carrier which applicant employs to transport its freight thereby become the operations of applicant."

The decision then went on to look over the public convenience and necessity angle, noting in the course of such discussion that some of the M. P. operations launched after the "grandfather" date were "unlawful;" although it was stated that applicant "at all times has intended to comply with the provisions of the act and that such operations were commenced under the belief that where certificates of convenience and necessity had been obtained from the respective state authorities covering intrastate operations, and where such operations were not physically connected, such certificates could be registered with us, and that applications for such registration were filed with us as the operations were instituted." Subsequently applicant "filed appropriate applications . . . for authority to continue the considered operations." Those are the applications which were granted subject to the conditions mentioned above, the majority finding that "substantial operating economies have been effected" by the co-ordinated set-up.

Chairman Eastman, concurring in part, would have found the Missouri Pacific entitled to the claimed "grandfather" rights. He thought its contractual arrangements with the truckers warranted such a finding, adding that the "practical aspects of the matter should not be overlooked," because arrangements such as the M. P. had "can be consistent with the principles of good management." Mr. Eastman does not think that it was the intent of the act "to stand in the way of such arrangements."

### Midwest Safety Conference April 30 to May 2

The eighteenth annual Midwest Safety Conference will be held at Chicago on April 30 to May 2 under the auspices of the Greater Chicago Safety Council, the Safety Section of the Association of American Railroads, the Illinois Industrial Commission, the Institute of Traffic Engineers and the Keep Chicago Safe Committee. In conjunction with this conference, the Safety section, A. A. R., will hold a regional safety meeting on May 1, at which nine papers will be presented. At a conference luncheon on April 30, Arthur J. Rohweder, safety director of the Duluth, Missabe & Iron Range, will be the principal speaker.

## Labor Seeks More Job-Protection

Would have I. C. C. attach such conditions to approval of P. R. R.'s signal changes

Combating a contention of railroad labor that the Interstate Commerce Commission should attach "labor-protection" conditions to its approval of a signal-system modification, John Dickinson, general solicitor of the Pennsylvania, told the commission at an April 10 hearing in Washington, D. C., that safety devices and improved methods of train control which benefit the public should not be disapproved because they happen to displace a few employees. "For the commission to strike out in this novel direction," Mr. Dickinson said, "would be disastrous to the industry and most of all to railroad labor itself."

The hearing was held in connection with the Pennsylvania's application for authority to modify its block-signal system and install centralized traffic control on its St. Louis division between Casey, Ill., and Harmony, Ind. Representing the Order of Railroad Telegraphers and other interested brotherhoods was Judge Charles M. Hay of St. Louis. He contended that the commission should extend to cases of this kind the policy of conditioning its approval upon inclusion of such labor-protection provisions as were required in the recent case involving the lease and operation of the Chicago, Rock Island & Gulf by the Chicago, Rock Island & Pacific. Judge Hay contended that the commission had the power to prescribe conditions which would preserve the jobs of employees affected or give them severance pay, under that language of the Act which made the action of the commission in approving applications such as the Pennsylvania's contingent upon the public interest.

On the other hand Mr. Dickinson argued that the words "public interest" as used in the pertinent sections of the Act refer only to signaling devices which the commission might direct to be installed after a hearing and finding that the public interest required such installation.

"Any action on the part of employees," said Mr. Dickinson, "which handicaps the efforts of the railroads to meet the strong competition with which they are faced, and which impedes their progress in the direction of greater efficiency, as well as increased safety of operation, can only be described as short-sighted and destined ultimately to react to the very serious detriment of railroad employees generally. If the railroads are not to be permitted to make the savings incidental to the introduction of improvements and are thereby to be deprived of incentive to keep abreast of the transportation art, they can no longer expect to enjoy the favor of the public in their competition with other forms of transportation and as they lose public favor more and more of their employees will lose their employment."

Tracing the legislative history of the Interstate Commerce Act and its amendments

giving the commission power over safety matters, Mr. Dickinson cited numerous authorities and precedents supporting the railroad's contention that the purpose of Congress in enacting this section was solely to promote the safety of railroad operation. Further, Mr. Dickinson said, under the Act the Commission has no power of conditional approval such as it has under sections relating to consolidations.

"While the commission has broad powers," asserted Mr. Dickinson, "under Section 26(b) to require the installation of signal devices designed to promote safety, it was certainly not the intention of the statute to place obstacles in the path of voluntary action by the carriers in the direction of safety improvements. If the modifications designed to enhance safety which a carrier voluntarily undertakes to introduce, often at large expense, are to be hampered by the attachment of conditions here sought, or prohibited solely because of such displacement, it is not hard to see that the carriers would be effectively discouraged from exercising their own initiative in voluntarily devising and installing such improvements. Adoption by the commission of the Brotherhood's request in this case would put a premium on the retention of outmoded safety devices generally."

"To grant that request would (1) create a powerful and effective deterrent to the introduction of improvements designed to promote safety in the field of signal devices, the very objective which the statute was designed to further; and (2) would impose a grossly inequitable and discriminatory burden, unfair to employers and employees alike, on the railroad industry which it is the function of this commission under the various regulatory statutes enacted by Congress and now in effect to supervise so that the vitality and effectiveness of the industry as an instrumentality of public service will be adequately safeguarded."

Conceding that some displacement of labor might result from the installation of the system, Mr. Dickinson cited authorities who are agreed that only industries in an expanding stage can equitably be expected to bear the burden of the cost of such displacement and that Congress has provided well for railroad employees in the railroad retirement and railroad unemployment compensation acts.

"Necessarily," said Mr. Dickinson, "in so far as such devices depend upon the greater precision of mechanical installations as contrasted with the fallible human element, they result in some displacement of labor. The whole history of safety improvements has had that effect since telegraph lines were first installed to transmit orders and thereby do away with the necessity of having a flagman walk ahead of the train and look out for trains coming in the opposite direction. If, in addition to the expense of having introduced the mechanical improvement, the railroad must continue to bear the same labor costs as before, although these costs are no longer necessary, it is obvious that the introduction of these improvements is directly penalized. To require the railroads to go on bearing the full costs of labor made unnecessary by the introduction of improvements is to impose an inequitable and dis-

### Would Divorce Oil Business from Water Transportation

Senator Gillette, Democrat of Iowa, has introduced S. 3718 "to prohibit producers, refiners, and marketers of petroleum products from operating tankers and barges."

Among other things, the bill declares it to be the policy of Congress "to protect consumers of petroleum products from exorbitant charges for fuel oil and petroleum supplies brought about by the arbitrary power exercised by producers and refiners of petroleum products who have heretofore occupied the dual position of producer and transporter." Also, it would make it the duty of the Attorney General "immediately to examine the relationships of persons now engaged in one or more branches of the petroleum industry and to institute suits in equity in the United States district courts for the issuance of mandatory injunctions commanding any person to comply with the provisions of this act." The maximum penalty for violation would be a \$10,000 fine for each offense.

criminary burden on the railroad industry.

"Any savings which may be effected by the introduction of improved methods in the operation of the railroads do not result under present conditions in expanding the profits of the railroads but on the contrary serve merely to help the railroads maintain their position in the face of motor competition. At the same time, there is no possible way now available by which the motor carriers can be compelled to bear any share of the cost of labor displacements due to the introduction of improved methods in the motor carrier industry."

"To require the railroads to bear a burden which cannot be imposed upon their chief competitor is discriminatory as well as inequitable. This commission under the regulatory statutes which it administers is charged with a broad and general responsibility for maintaining a sound and efficient national transportation system for the service of the public. It is well recognized that railroad transportation today constitutes an essential element in that system. More and more, this commission, by reason of the duties imposed upon it by Congress, is being charged with the responsibility of making the decisions upon which the continued efficiency of the railroad industry of the country depends. In the present case, the commission is confronted with the necessity of making, within the limits of its legal powers, a decision which will promote the health and efficiency of the industry, including the public, the owners of the roads, and railroad labor generally."

### S. P. Ferries Placed in Receivership

Southern Pacific Golden Gate Ferries, Ltd., has been placed in receivership and the Alameda County, Cal., superior court, on April 7, appointed A. C. Piercy, gen-

eral manager, receiver to continue the operation of the properties. The receivership was sought by the trustee of the company's \$1,689,000 5½ per cent first mortgage bonds due in 1949, following non-payment of the April 1, 1940 interest coupons. The company formerly operated nine ferry routes on San Francisco bay but since the opening of two bridges across the bay, the operations have been cut to one vehicular ferry line between San Francisco and Oakland.

### I. C. Speeds Up Louisville-Memphis Freight Service

The Illinois Central has speeded up its Louisville, Ky.-Memphis, Tenn., freight service from 30 to 15 hr. southbound and from 18 to 15 hr. northbound, thereby saving a full business day to most destinations.

### Faster Freight Service to Pacific Coast

Sixth morning delivery from Chicago and fifth morning from St. Louis, Mo., to south Pacific Coast points, and sixth morning delivery from Chicago and St. Louis to north Pacific Coast points, were placed in effect over all routes on April 7.

### C. C. C. Case Reopened

The Interstate Commerce Commission has reopened for further consideration its I. and S. Docket No. 4595, Excursion Fares for C. C. C. Camp Enrollees in the West. The issues in the case were reviewed in the *Railway Age* of February 3, 1940, page 261.

### Railroading Crops Up in the Art World

Railroads in art is the latest offering for railroad men and railroad-minded laymen in the New York area. It is announced that a private showing of paintings on railroad and industrial themes by Belu de Terefort will be held at 46 Washington Square West, New York City, April 12 to 16, inclusive, from 3 to 9 p. m.

### New Haven Film—Next Showing 8113 A. D.

A print of the talking motion picture film "New England—Yesterday and Today," which the New York, New Haven & Hartford prepared last year and has shown to more than 1,500,000 persons in 35 states outside New England and New York, was sent on April 3 to Oglethorpe University, Georgia, where it will be preserved for posterity in the "crypt of civilization" to be opened some 6,000 years hence.

### Freight Car Loading

Revenue freight car loading for the week ended April 6 totaled 602,697 cars, the Association of American Railroads announced on April 11. This was a decrease of 25,581 cars, or 4.1 per cent, below the preceding week, but an increase of 67,745 cars, or 12.7 per cent, over the corresponding week last year and an increase of 80,648 cars, or 15.4 per cent, over the comparable 1938 week.

As reported in last week's issue, loading of revenue freight for the week ended



Saturday, March 30, totaled 628,278 cars, and the summary for that week, as compiled by the Car Service Division, A. A. R., follows:

#### Revenue Freight Car Loadings

For Week Ended Saturday, March 30

Districts	1940	1939	1938
Eastern .....	138,880	137,786	115,471
Allegheny .....	127,987	121,144	100,350
Pocahontas .....	46,468	38,716	28,512
Southern .....	101,473	96,404	87,363
Northwestern ..	73,225	69,589	63,562
Central Western	95,314	93,371	86,016
Southwestern...	44,931	43,681	42,215
Total Western Districts .....	213,470	206,641	191,793
Total All Roads	628,278	600,691	523,489
Commodities			
Grain and grain products .....	34,540	32,080	31,571
Live stock .....	9,595	10,774	10,948
Coal .....	127,259	101,209	73,550
Coke .....	8,541	5,991	3,947
Forest products..	31,931	27,110	23,814
Ore .....	10,160	9,108	5,178
Merchandise l.c.l.	147,156	157,419	154,314
Miscellaneous ..	259,096	257,000	220,167
March 30 .....	628,278	600,691	523,489
March 23 .....	619,886	601,948	572,952
March 16 .....	618,985	591,166	540,365
March 9 .....	620,997	588,426	556,730
March 2 .....	634,410	594,424	552,892

Cumulative Total,  
13 Weeks .. 8,164,834 7,548,251 7,158,681

**In Canada.**—Carloadings for the week ended March 30 were 43,567, as compared with 40,989 in the previous week and 44,692 last year, according to the summary of the Dominion Bureau of Statistics.

	Total Cars Loaded	Total Cars Rec'd from Connections
Total for Canada:		
Mar. 30, 1940 .....	43,567	25,056
Mar. 23, 1940 .....	40,989	24,146
Mar. 16, 1940 .....	46,996	24,563
April 1, 1939 .....	44,692	21,511
Cumulative Totals for Canada:		
Mar. 30, 1940 .....	604,480	314,927
April 1, 1939 .....	530,026	275,849
April 2, 1938 .....	581,898	286,781

#### Status of Universal Carloading & Distributing Company

Following the doctrine of its decision in the case involving the status of Acme Fast Freight, Inc., the Interstate Commerce Commission, Division 5, has found that the Universal Carloading & Distributing Company and affiliates have failed to establish that their operations are those of a common carrier by motor vehicle or a contract carrier by motor vehicle under the provisions of the Motor Carrier Act. The case was docketed as No. MC-39086.

#### P. R. R. Extends Red Cap Charge to Baltimore

The Pennsylvania, effective April 15, will establish a flat charge of 10 cents per bag or parcel carried by official red caps at its Baltimore (Md.) station. The plan, which is designed to equalize porter service to the public and substitute a fixed payment for the custom of tipping, has been in effect for some time at the Pittsburgh (Pa.), Greensburg and Johnstown stations of the Pennsylvania and at Cincinnati, (Ohio), Union station and is reported to be working out successfully to the satisfaction of the public.

In addition to improving and standardizing red cap service, the new plan will eliminate controversies and legal complications which have arisen under recent

#### Chicago-St. Louis Quantity Commodity Rates

New commodity rates have been placed in effect by direct lines between Chicago and St. Louis and some connecting railroads in an effort to meet truck competition. The new rates, which also cover pick-up and delivery service, apply to 75 selected commodities including electrical appliances, auto parts, hardware, refrigerators, machinery and machines, agricultural implements and parts, yeast, cleaning compounds and paper wrappers. The 75 commodities are arranged in four groups with a rate of 92 cents, 78 cents, 64 cents or 51 cents for less than 5,000 lb., applying to a group. At the same time, a sliding scale provides lower rates for larger quantities with the result that the 92 cent rate becomes 89 cents for 5,000 to 10,000 lbs., 64 cents for 10,000 to 15,000 lb., and 46 cents for more than 15,000 lb.; the 78 cent rates becomes 74 cents, 64 cents and 46 cents for these minimums; the 64 cent rate, 61 cents, 59 cents and 46 cents for the same minimums and the 51 cent rate, 48 cents and 46 cents for the first three of these minimums.

federal legislation regarding the status of red caps as employees and the status of tips as compensation for their work. It will also enable the road to place its staff of red cap porters upon a regular and uniform wage basis, with their compensation paid to them directly by the railroad, as in the case of other employees. Consideration of tips as remuneration for this work in whole or in part will thereby be eliminated.

To systematize payment of the fee, passengers requiring the service of a red cap will have an identification check attached to each bag and parcel by the porter, while an identically numbered stub will be handed the passenger. When the porter has carried the baggage to train, taxicab or elsewhere, as directed by the patron, he will collect the identification stubs, together with 10 cents for each bag or parcel handled, and this will constitute payment in full for the service rendered. Red cap porters will provide this service as employees of the railroad and will act as its agents in collecting the charges made therefor.

#### Loss and Damage Payments Decrease

Freight loss and damage payments in 1939 decreased 12.1 per cent as compared with 1938, according to figures compiled by the Freight Claim division of the Association of American Railroads, the total being \$18,885,330 and \$21,474,379 for these years respectively. All causes showed decreases in payments in 1939 with the exception of train accidents which increased 10.1 per cent. The cause which experienced the greatest decrease, 36.5 per cent, was Freezing or Heater Failure, and this was fol-

lowed by delay, with a reduction of 31.9 per cent, and unlocated loss from bulk or packages, of 30.9 per cent.

As in previous years, loss and damage to fresh vegetables accounted for the largest portion of the claim bill, amounting to 10.2 per cent or \$1,925,905 in 1939, as compared with 11.1 per cent or \$2,376,740 in 1938. Payments on other commodities and their relation to the total bill were furniture, 9.5 per cent, live stock, 5.9 per cent, fresh fruits, except citrus, 5.8 per cent and stoves, furnaces, radiators and parts, 3.5 per cent.

#### Order on Northwest Petroleum Rates Again Postponed

The Interstate Commerce Commission has further postponed from April 8 to June 7 the effective date of its order in the I. & S. No. 4614 proceeding wherein it dealt with the principal interstate rail and truck rates on petroleum and its products in the Mountain-Pacific Northwest. The commission's decision in this case, which the railroads have taken to court, was reviewed in the *Railway Age* of October 7, 1939, page 533.

#### Rate and Classification Data Now Due June 1

The Interstate Commerce Commission has postponed until June 1 the deadline for the furnishing of information called for in the orders issued on January 9 in the No. 28300 and 28310 general investigations of the class rate structure and the consolidated freight classification. The information called for in these orders was outlined in the *Railway Age* of January 20, page 170; some of the reports were originally due April 15 and others on May 15.

#### Commission is Upheld in Acme Case

The United States Supreme Court at its April 8 session affirmed the decree of the lower court in the Acme Fast Freight case which had sustained the Interstate Commerce Commission's ruling that forwarders are not common carriers and had struck their tariffs from its files.

On the day following the decision of the Supreme Court the commission announced a further postponement from April 11, to June 11, of the effective date of its order in that phase of the case which ordered Acme tariffs stricken from the commission's files.

#### March Employment 4.2 Per Cent Above 1939

Railway employment decreased 0.48 per cent—from 993,022 to 988,229—during the one-month period from mid-February to mid-March, but the March total was 4.2 per cent above that of March, 1939, according to the Interstate Commerce Commission's compilation based on preliminary reports. The index number, based on the 1923-1925 average as 100 and corrected for seasonal variation, stood at 56.9 in March as compared with February's 57.8 and March, 1939's 54.6.

March employment in all groups was below that of mid-February, except for the groups embracing yardmasters, switch-

tenders and hostlers (up 3.18 per cent) and transportation other than train, engine and yard (up 0.13 per cent). As compared with March, 1939, employment in all groups increased, the largest rise being among yardmasters, switch-tenders and hostlers—up 7.66 per cent; next in turn came maintenance of equipment and stores (up 6.56 per cent) and train and engine service (up 6.13 per cent).

#### Contract Truckers Get Still More Time on I. C. C. Questionnaire

The Interstate Commerce Commission has further postponed until May 1 the deadline-date for the filing by contract motor carriers of returns to the questionnaire issued in connection with the Ex Parte No. MC-27 investigation of Central Territory contract carrier rates. Like previous ones this new extension came "upon consideration of the record . . . and of petition of the Contract Carrier Division, American Trucking Associations, Inc."

As noted in the *Railway Age* of December 2, 1939, page 858, this questionnaire phase of Ex Parte No. MC-27 was disposed of in a report embracing also Ex Parte No. MC-9, wherein it was ordered that contracts of contract carriers be placed in the public files of the commission and made available for public inspection as of the first of this month. However, an order issued in the latter part of March postponed that April 1 deadline "until further order of the commission," as noted in the *Railway Age* of March 30, page 598.

#### Railroad Equipment Float Appears in Army Day Parade

The railway supply industry was represented in the colorful and traditional Army Day parade in New York on Saturday, April 6, by a striking 30-ft. float designed to illustrate the tie-in between modern railroad plant and military needs. The railway equipment unit, together with nine other floats representing aviation, heavy machinery and others, comprised an Industrial Mobilization section which for the first time in the history of Army Day observance introduced the theme of in-

dustrial participation into what has heretofore been a strictly military affair.

The railway float, as herewith pictured, illustrated the latest "models" of freight and passenger rolling-stock flanking a larger-scale steam-locomotive dummy. It bore the message "Railway Equipment Assures Mass Transportation" in addition to the slogan of all industrial participants—"Preparedness Protects Peace."

The idea of industrial participation in the parade was stimulated by Louis Johnson, Assistant Secretary of War, and developed through a group of officers of metal working industries interested in the material requirements of the U. S. Engineers and Ordnance Corps. This group organized itself under the name of The Engineers' and Ordnance Corps committee, and by request of Col. J. K. Clement, U. S. War Department, New York, Ordnance division, was headed by W. C. Dickerman, chairman, American Locomotive Company.

#### New York Port Authority Chides R. R.'s on Terminal Attitude

The Port of New York Authority, in its nineteenth annual report, scolds the railroads in that area for not making "satisfactory progress in reducing terminal costs by consolidating and closing down individual pier stations which could be displaced by Inland Terminal No. 1 and similar joint facilities." Pointing out that one of the principal reasons for its formation by the states of New Jersey and New York was to effect unification of freight terminals, the Authority believes that continued failure on the part of the railroads to "co-operate" will lead to the establishment of federal machinery "to accomplish the result by appropriate orders found in the public interest."

#### New Haven Resumes "Along the Line"

"Along the Line," monthly magazine published by and for the 20,000 employees of the New York, New Haven & Hartford, has been resumed after a seven years "recess." Put out in convenient pocket-size (5¼ in. by 7½ in.), the initial issue

of the new volume contains a detailed illustrated article describing new equipment placed in service during the seven-year hiatus; an analysis of the plight of the affiliated Old Colony road and interesting facts about operations generally. Leslie H. Tyler, with headquarters at New Haven, Conn., is editor.

#### Jones Announces Loans for Foreign Railway Purchases

Federal Loan Administrator Jesse Jones announced at his press conference on April 4 that the Export-Import Bank has agreed to participate with the General Electric Company and the Westinghouse Electric & Manufacturing Company up to \$4,340,000 in financing the sale of American machinery and equipment required in the electrification of a portion of the Sorocabana in Brazil. The loan, he said, will not exceed 70 per cent of the cost of the equipment to be exported, and the balance of the credit will be carried by the manufacturers.

The Bank has also agreed to participate with the Inland Steel Company up to \$1,575,000 in financing the sale of steel rails to the Central of Brazil, according to Mr. Jones. This loan will not exceed 75 per cent of the credit, the balance to be supplied by the manufacturers. Payment of both credits will be guaranteed by the Bank of Brazil.

#### Equipment Depreciation Orders

Equipment depreciation rates for the Louisiana & Arkansas, the Campbell's Creek and the Helena Southwestern have been prescribed by the Interstate Commerce Commission in a new series of sub-orders and modifications of previous sub-orders in No. 15100, Depreciation Charges of Steam Railroad Companies.

Prescribed rates for the L. & A. are as follows: Steam locomotives—new, 3.19 per cent, secondhand, 6.93 per cent; freight-train cars—new, 3.1 per cent, secondhand, 5.15 per cent; passenger-train cars—new, 2.84 per cent, secondhand, 8.74 per cent; floating equipment—secondhand, 7.78 per cent; work equipment—new, 3.58 per cent, secondhand, 5.43 per cent; miscellaneous



The Equipment Industry's Float in New York's Army Day Parade



equipment—secondhand, 16.22 per cent. Composite percentages (which are not prescribed rates) for all equipment of the Campbell's Creek and the Helena Southwestern, respectively, are 6.22 per cent and 2.7 per cent.

### Chicago Traffic Club Elects

The Traffic Club of Chicago elected the following officers on March 28 to serve for 1940: President, E. R. Gustafson, traffic manager, Universal Atlas Cement Company; first vice-president, W. Haywood, freight traffic manager, Illinois Central; second vice-president, A. H. Schwietert, assistant traffic director, Chicago Association of Commerce; third vice-president, E. B. Finegan, chief traffic officer, Milwaukee; secretary, D. W. C. Becker, director, traffic management department, LaSalle Extension University; and treasurer, R. J. Wallace, traffic manager, Jaques Manufacturing Company.

### 1939 Claim Payments 12 Per Cent Less Than 1938

Claims paid by the railroads of the United States and Canada as a result of loss and damage to freight shipments were 12 per cent less in 1939 than in 1938, and 23 per cent less than in 1937, according to the Freight Claim Division of the Association of American Railroads. Such claims paid by the railroads in 1939 totaled \$18,885,330, compared with \$21,474,379 in 1938, and \$24,381,819 in 1937.

Claims for loss and damage to freight shipments paid by the railroads in 1939 amounted to five-tenths of one cent for each dollar of freight revenue received in that period. In both 1938 and 1937, the average was seven-tenths of one cent.

### Purchases and Inventory Corrections

The Alton's purchases of materials, exclusive of fuel and equipment, during the month of January, was an increase of 148 per cent over January, 1939, instead of 120 per cent as reported in the issue of March 30, page 579, and the Southern's purchases in January were a decline of 22 per cent instead of 6 per cent from the total for December, 1939. The New York, New Haven & Hartford's total material balance on December 31, 1939, was 9.2 per cent instead of 12.7 per cent of annual operating revenues as reported on page 633 of the issue of April 6, and the Lehigh & New England's fuel on hand December 31, was 135 days' stock on the basis of the average consumption during the previous 12 months.

### Engineers' Library Makes Microfilm Copies Available

The Engineering Societies Library, 29 West 39th street, New York, announces that it has broadened its services to engineers by making available at cost "microfilm" copies of the material contained in the 160,000 volumes and thousands of periodicals in its collection. Any engineer, library or company in any part of the world may order microfilm copies on 35-mm film at the cost of 4 cents per exposure with a minimum charge of \$1.25 per

volume, postage included. This service is in addition to that already available for supplying photostat prints at 30 cents each.

The Engineering Societies Library is a joint co-operative enterprise of the American Society of Civil Engineers, the American Institute of Mining & Metallurgical Engineers, The American Society of Mechanical Engineers, and the American Institute of Electrical Engineers.

### Club Meetings

The Southwestern Car Service Association will hold its spring meeting on April 25, at 9:30 a. m., at the Hotel Adolphus, Dallas, Tex.

The Transportation Club of the Rochester (N. Y.) Chamber of Commerce will hold its next general meeting on April 17, at the Rochester Chamber of Commerce. In connection with the "Perfect Shipping and Careful Handling" program, C. H. Dietrich, executive vice-chairman, Freight Claim division, Association of American Railroads, will address the group on "The Freight Loss and Damage Problem."

The Eastern sectional group, Treasury division, Association of American Railroads, will hold a meeting at the Ambassador hotel, Atlantic City, N. J., April 20.

### Barge Line Seeks Authority to Operate

The Pittsburgh Barge Line has applied to the Interstate Commerce Commission for a certificate of convenience and necessity authorizing it to operate as a common carrier by water with through routes and joint rates with the rail carriers under provisions of the Inland Waterways Corporation Act. The company plans to operate on the Monongahela, Allegheny, Ohio, Kanawha and Mississippi rivers with terminals at Fairmont, W. Va. on the Monongahela; Templeton, Pa. on the Allegheny; Charleston, W. Va. on the Kanawha; and Memphis, Tenn. on the Mississippi. The company will also serve all intermediate points. The application states that it is believed there is a "substantial" demand for a service of this type.

### "Perfect Shipping" Meeting in Washington

While great progress has been made in reducing loss and damage in recent years it is essential that shippers and receivers and the railroads and other transportation agencies continue their active cooperation to correct faulty and careless shipping practices that are still "draining the transportation bucket" according to speakers who addressed the first "Perfect Shipping" meeting ever held in Washington, D. C., on Wednesday, April 10.

The meeting, held in the auditorium of the Railway Express Agency, was attended by about 300 representatives of Washington merchants and nearby manufacturers as well as the railroads and other transportation interests. In addition, there were a number of transportation representatives present from the several government departments and agencies.

W. C. McDermott, traffic manager of Woodward & Lothrop and chairman of the local sub-committee of the Freight Loss

and Damage Prevention Committee of the Atlantic States Shippers Advisory Board, presided. The speakers, who touched on various phases of the loss and damage problem and the economic waste that is involved and emphasized the part which good packing, plus correct marking, safe switching and careful handling play in perfect shipping, included W. C. Kendall, chairman of the Car Service Division, Association of American Railroads, and C. A. Williams, traveling loss and damage supervisor, Railway Express Agency. "On Guard," the sound slide film produced by the 13 Shippers Advisory Board in conjunction with the Association of American Railroads, for use in the nation-wide "Perfect Shipping" campaign was also presented in the course of the meeting.

### Annual Freight Claim Meeting May 21-23 at Chicago

The annual meeting of the Freight Claim division of the Association of American Railroads will be held at Chicago on May 21-23. The program provides for addresses by C. H. Buford, vice-president, operations and maintenance department of the Association of American Railroads, and Parks C. Archer, chairman of the division, and discussion of the report of the Committee on Prevention of Loss and Damage, on the first day; consideration of the report of the Committee on Freight Claim Rules, and election of officers, on the second day; and discussion of the reports of the Committee on Rules of Order and the General Committee regarding principles and practices, on the third day. A meeting of field men handling loss and damage prevention matters will be held on May 22.

### Will Hold Hearings on Refrigerator Car Bills

The House committee on interstate and foreign commerce on April 2 authorized the appointment of a sub-committee to hold hearings on H. R. 7466 and H. R. 8242, the so-called refrigerator car bills which would give shippers of fresh meats, packing-house products or dairy products the right to furnish their own refrigerator cars.

As noted in the *Railway Age* of March 16, page 527, the bills, like S. 2753 now pending before the Senate committee on interstate commerce, are designed to counteract the Car Service Division's action of last May 5, reserving for railroads the right to furnish railroad-owned or railroad-controlled cars for such traffic. The effective date of this A. A. R. policy was recently postponed until June 30 "to give additional time for negotiations which are being progressed as rapidly as possible for disposition of private line equipment."

### Owen D. Young to Head Resources Board's Transport Study

Owen D. Young, who retired as chairman of the board of the General Electric Company at the end of last year, has accepted President Roosevelt's invitation to head the committee which will make the transportation study projected by the National Resources Planning Board, it was announced at the White House on April 10. The White House announcement came

after Frederic A. Delano, chairman of the Resources Board, had on the previous day confirmed reports that Mr. Young had agreed to take the assignment.

Mr. Delano explained that there had been no announcement because it was possible that the Resources-Board study would not be undertaken if Congress provides in S. 2009, the omnibus transport bill, a means for accomplishing the same purpose. As noted in the *Railway Age* of March 23, page 541, the conferees on S. 2009 have agreed to embody in their conference report that provision of the Senate version which calls for appointment by the President of a board to investigate the relative economy of the various agencies of transportation and the extent to which each is being subsidized out of public funds.

It is understood that the plan of the Resources Board would be to have Mr. Young head a research committee which would include representatives of all types of transport—railroads, air lines, inland waterways, motor carriers and ocean steamship services. Members of the committee have not yet been appointed. As noted in the *Railway Age* of January 27, page 230, Mr. Delano and Charles W. Eliot, director of the Resources Board, discussed this projected transport study in testimony before a sub-committee of the House committee on appropriations.

### Lower Southern Fares Cut Greyhound Take

Reduction of one-way coach fares by the railroads in Southeastern territory from 2 to 1.5 cents on January 15, 1939, and still further reduction of round-trip rates to 90 per cent of double the one-way fare on June 1 had the effect of reducing the earnings of Southeastern Greyhound Lines, according to the annual report of that system for 1939. President G. A. Hugel

points out that to meet the lower railroad rates the bus company reduced its fares to the lowest in its history. Result: company carried 10.29 per cent more revenue passengers than in 1938, but total operating revenue was 2.74 per cent less.

Southeastern Greyhound operates an interurban bus system covering a portion of Southeastern railroad passenger territory having "corners" at Evansville, Ind., Huntington, W. Va., Mobile, Ala., and Jacksonville, Fla.

### 30 Days' Notice for All Changes in Contract-Carrier Schedules

Minimum-rate schedules of contract carriers by motor vehicle will henceforth be alterable only upon 30 days' notice to the Interstate Commerce Commission and the public, according to amended regulations promulgated by the commission's Division 2. Rejecting contentions of the contract carriers that it had authority to require the 30-days' notice only in cases where the proposed change would result in a reduction of the minimum rate, the commission looked over the law and precedents and decided that it had the necessary authority to fix the period of notice for all changes.

The proceeding (Ex Parte No. MC-33) arose as a result of a resolution filed with the commission by the National Traffic Committee of American Trucking Associations, Inc., which resolution contended that the existing rules and regulations governing the filing and posting of common-carrier tariffs and contract-carrier schedules were "unjust, unfair, discriminatory, and prejudicial to the impartial administration of Part II of the Interstate Commerce Act because they require all tariffs and supplements of common carriers to be filed and posted at least 30 days prior to the effective date thereof, unless otherwise

authorized by the commission, whereas initial schedules of contract carriers or those which establish minimum rates or charges to new points of origin or destination or on new commodities may become effective on the date they are received by the commission."

Under that set-up the common carriers contended that the contract carriers were establishing "without notice new minimum rates . . . which are sufficiently lower than the published common carrier rates to attract business from the common carriers . . . and that this practice disrupts the established rate levels and frustrates their (common carriers) efforts to stabilize rates and to prevent destructive competitive practices." Also, it had come to the attention of the commission "that some contract carriers have adopted a device for accomplishing reductions in their minimum rates and charges without giving the required 30 days' notice." "They do this," the report went on to explain, "by canceling such charges and shortly thereafter file new minimum charges lower than those canceled without observing the statutory 30 days' notice, claiming that such new rates or charges do not effect reductions in minimum rates or charges on file with this commission."

The majority report represented the views of Commissioners Aitchison and Splawn; former Commissioner Caskie, who resigned effective April 1, dissented.

### Kettering Predicts Rejuvenation of Railroad Industry

The prediction that the development of the Diesel-electric locomotive may so rejuvenate the railroad industry that the reverberations from this development may create an era of expanding industry similar to that which followed the Civil War was made by Charles F. Kettering, vice-president and research director of the General Motors Corporation in testimony on April 9 before the Temporary National Economic Committee (Monopoly Committee). The committee is beginning a three-week session of hearings on the subject of technological change, including the development of the use of machines, and the effect of both on employment and production.

Senator O'Mahoney, Democrat of Wyoming, and chairman of the committee, asked Mr. Kettering whether he saw in the immediate future any development in industry which would be comparable to the railroad expansion immediately following the Civil War.

"Yes, I do," replied Mr. Kettering. "I think in these new types of locomotives you perhaps re-do to a large extent the method of transportation."

"That would be rehabilitation of the existing roads?," queried the chairman.

"And when you go around, you can go around again," answered the General Motors official.

Discussing the general subject of the development of new forms of machinery, Mr. Kettering described the development of the Diesel-electric engine for use in locomotives. "Take the Diesel engine," he said. "We made the Diesel engine without any regard to where it would go. It went in the railroad industry first, and yet no-



Photo courtesy White Motor Company

How the European War Affects American Railroad Export Traffic Is Illustrated By This Pile of White Trucks Destined For the French Government. This Particular Lot Is On the New Jersey Shore of New York Harbor Awaiting Ships



body would have anticipated that, and nobody even predicted it. As Mr. Harriman (W. A. Harriman, chairman of the board of the Union Pacific) said, they tried it out purely as a means to see if they couldn't do something to have people look at a railroad train again; and the fact that it was a success was as much a surprise to them as to anyone else."

Included in the list of those who are scheduled to testify regarding technological improvements in the railroad industry are J. J. Pelley, president of the Association of American Railroads; Dr. J. H. Parmelee, director of the Bureau of Railway Economics; E. E. Norris, president of the Southern; M. W. Clement, president of the Pennsylvania; Ralph Budd, president of the Chicago, Burlington & Quincy; George Harrison, president of the Brotherhood of Railway Clerks; and A. F. Whitney, president of the Brotherhood of Railroad Trainmen.

### Rail Labor Considers Pipe-Line Threat to Railroad Jobs

Ways and means of dealing with the threatened loss of railroad jobs as a result of pipe line extensions was listed as one of the most important subjects on the docket of this week's Washington, D. C., meeting of the Railway Labor Executives Association. The labor representatives were concerned specifically with the line now being constructed to carry gasoline from Port St. Joe, Fla., through Georgia to Chattanooga, Tenn.; and a pending proposal to build another from Baton Rouge, La., for 1,200 miles through Mississippi, Alabama, Georgia and the Carolinas.

In the former connection R. L. E. A. recently sent Attorney T. J. McGrath to Atlanta to oppose that project of the Southeastern Pipe Line before the Georgia State Highway Board which was holding hearings on the question of permitting the line to cross under state highways. Meanwhile at a Chicago meeting on March 20, R. L. E. A. voted to push for enactment by Congress of a bill to require pipe lines to obtain certificates of convenience and necessity from the Interstate Commerce Commission.

This week's Washington meetings continued for several days with interruptions for conferences with representatives of the Association of American Railroads. At such conferences it is understood that S. 2009, the pending transportation bill, was discussed, and, perhaps, the proposal pending in labor circles to seek an extension of the Washington Agreement to cover employees affected by railroad abandonments; however, R. L. E. A. Chairman James A. Phillips stated on Wednesday that he had nothing to say about the meeting's docket, except that the pipe-line matter was on it.

### Tickets for Florida Streamliners Sold at Premium Prices

So great has been public demand for accommodations on the Seaboard Air Line's "Silver Meteor" and Atlantic Coast Line-Florida East Coast "Champion," all-coach New York-Florida streamliners (for which all seats are reserved in advance), that amateur ticket-scalpers at Florida points have found it possible to exact premiums

of as high as \$5 from prospective passengers for northbound tickets carrying seat accommodations on specific dates. Since the railroads do not sell tickets or reserve seats in lots there is no actual "ticket-scalping" in the grand manner of the theatre and fight business, or of the old days of up-and-down railroad fares, and no instance has been found of anyone buying up a substantial supply of tickets for resale. The principal offenders are hotel employees, especially at Miami, who supply guests with return tickets for a so-called "service charge."

Because accommodations for seats on these trains (which are reserved without charge in connection with coach tickets) have been sold out well in advance throughout the winter, the railroads make it possible for those buying round-trip tickets to arrange in advance for accommodations for the return trip north on a specified date, the ticket numbers for the seats being noted on the car diagrams at Miami. If the passenger desires to change the return date he must present his ticket with reservation coupon to an agent at least 24 hours prior to scheduled departure for cancellation of the reservation and exchange for a new reservation coupon. But since accommodations are usually sold out for most departure dates, passengers seeking to change their date of return frequently seek the offices of hotel employees, who exchange return-tickets for a premium, depending upon supply and demand.

The railroads point out that the public, while it is "kicking" about the practice, nevertheless refuses to help them end it by giving necessary information. Thus, those who have paid "tips" for tickets will not divulge the name of the unofficial speculators, yet complain to railroad passenger departments of their plight. At any rate, both the S. A. L. and the F. E. C. are collecting such data as is available and hope eventually to eliminate the "premium" trade through applicable laws.

### Insurance Firms Extend O. C. Operation One Year

A group of 14 large insurance companies owning \$72,000,000 of New York, New Haven & Hartford bonds have agreed that the bankrupt road continue to operate the Old Colony for a test-period of one year to determine whether the latter can be self-supporting or run at a cost "the New Haven can properly assume." The firms, which previously agreed with the New Haven trustees that operation of the Old Colony by its former lessee be discontinued and that the line be eliminated from any plan of reorganization for the New Haven, have been in conference with Governor Saltonstall of Mass. since February.

Their communication to the latter reads that they "are entirely willing that the reorganization of the New Haven Railroad shall provide for the operation by the New Haven of the Old Colony for a period not exceeding one year, so that it may be determined during that period whether the Old Colony can be so operated as to furnish satisfactory service to the area in which it is located, either in a manner that will enable the Old Colony to be self-supporting, or at a cost which the New Haven railroad can properly assume.

The exact form of a decree to provide for this operation is beyond the scope of your committee, nor can we advise you the exact time or before what tribunals or authorities this position of the insurance companies should be made known."

The trustees of the New Haven and Old Colony have petitioned the Interstate Commerce Commission for permission to abandon the so-called Boston group lines of the latter, as was reported in the *Railway Age* of March 16, page 522.

### Motor Insurance Rules Modified

The Interstate Commerce Commission, Division 5, has modified its motor carrier insurance rules to relieve truckers from the necessity of filing cargo security in connection with the transportation of a specified list of commodities of low value and favorable transportation characteristics. The modification came in the third supplemental report in Ex Parte No. MC-5.

"It should be understood, of course," the report says, "that the exemption of the specified commodities from our requirements with respect to cargo security will in no way relieve the motor carriers from liability to shippers for loss or damage suffered in the transportation of such commodities."

### Hits Federal Barge Phony Accounts

(Continued from page 676)

the Corporation has incurred a cumulative deficit of \$2,500,000. When the third item, return on the taxpayers' investment in the Corporation, is also considered, even on the conservative basis of an ordinary interest rate, the operations are shown to have fallen short by \$14,000,000 of a reasonable financial success.

"The Corporation's annual financial reports leave much to be desired. It is impossible in the individual reports to find some of the important component parts of the totals presented. It is also impossible in successive reports to find comparable figures for different years, because of frequent changes in the details of presentation. It is nevertheless possible, with certain reasonable estimates, to develop an approximation of the results close enough for the purposes of this analysis."

On the subject of depreciation the report finds fault with the Corporation's accounting, declaring that "Comparing the annual depreciation allowance of the Corporation with those reported by other carriers on the Mississippi system, it would appear that the Corporation's depreciation allowances are quite inadequate. They average less than 2.5 per cent. Those of two private companies average more than 4.5 and six per cent respectively. Assuming the conservative figure of four per cent for the Corporation, the depreciation charges since 1924 should be increased by at least \$4,400,000."

Turning to a discussion of taxes, the report asserts that available records show that privately owned barge lines competing with the Corporation pay taxes to states and municipalities, social security

taxes and various other taxes. The Corporation pays some state and local taxes but much less than a private company would pay, and it pays no social security taxes, it is pointed out. By comparison with taxes actually paid by a privately owned barge line, the committee estimates that a private company operating the Corporation's lines during the past 14 years would have paid \$1,100,000 more in such taxes than the Corporation did. This estimate, it states, does not take into account federal income or capital stock taxes.

The corporation has escaped other kinds of expenses which a private enterprise would incur, it is claimed. These include postage and, until recently, the rent of executive offices in Washington. The committee also asserts that the Corporation has also enjoyed reduced government rates on telegrams. In the past 14 years these advantages have saved the Corporation at least \$500,000 mainly at the expense of the taxpayer, it is further charged.

There are also items of actual expense in the Corporation's operations which have been paid by other government agencies, including the salary of its President, until recently paid by the War Department, and personal injury claims, paid by the U. S. Employees' Compensation Commission, it is further claimed. These expenses totaled about \$360,000 to the end of 1938, according to the report.

"It is claimed for the Corporation that it is subject to certain expenses from which a private company might be exempt," says the report. "One of these arises from the obligation imposed by Congress to conduct activities for the improvement of waterway equipment and terminals. The cumulative total of these expenditures to the end of 1938 is reported as \$410,000.

"As a result of an order from the President early in 1936, daily and hourly rated employees have since been granted annual and sick-leave allowances. The Corporation has estimated that these allowances increased the payroll cost by at least 10 per cent. On this basis, the Corporation would appear to have undergone to the end of 1938 an expense of \$750,000 for these purposes.

"While an enterprising private corporation would doubtless spend considerable amounts for similar purposes, this analysis aims to give the Inland Waterways Corporation the benefit of any uncertain points and therefore credits it with these special expenses."

"If all the foregoing items are taken into account it will be seen that, instead of the claimed cumulative profit of \$2,650,000, the Corporation has experienced a cumulative net deficit of \$2,550,000. This, however, falls far short of indicating the true extent to which the government operation is a liability to the taxpayer. The reason is that no account thus far has been taken of the fact that the government receives neither interest nor dividends on the capital tied up in the undertaking, except income totalling \$1,000,000 from miscellaneous investments of the Corporation's own operations, which income is included in the claimed cumulative profit of \$2,650,000.

"At the end of 1938 the government's capital invested in the Corporation was

about \$25,000,000. This amount, if the Corporation were a private enterprise, would be represented by capital stock, bonds, or both, and in view of the hazards of the business, the average return in prospect would have to be higher than an ordinary interest rate. However, for the purposes of this calculation, it may be assumed that the government, in conducting this operation, should have had a return of at least four per cent on its investment. This rate applied to the investment in the Corporation year by year would show a deficiency to the end of 1938 of \$11,500,000. This amount, added to the previously estimated actual cumulative deficit of \$2,550,000 indicates that the Corporation had up to the end of 1938 fallen short by at least \$14,000,000 of making even a moderate financial success of its operations."

The report concludes by claiming that the factors outlined have to be considered to give a true picture of the financial results of the federal barge line operations for comparison with those of a private enterprise. These results, it states, may be summarized as follows:

The Corporation as of December 31, 1938, reported a surplus of	\$2,650,000
It has incurred the following special expenses as a government agency:	
Promotion of equipment and terminal improvement .....	\$410,000
Annual and sick-leave allowances ...	750,000
	1,160,000
Without these special expenses the apparent cumulative net profit would have been ....	\$3,810,000
The following expense items are not charged in the Corporation's accounts:	
Deficiency in depreciation allowances ..	\$4,400,000
Taxes avoided as a government agency	1,100,000
Free or reduced-rate services .....	500,000
Expenses paid by other government agencies .....	360,000
	6,360,000
Taking these items into account, there was an indicated cumulative deficit of .....	\$2,550,000
Considering that the government's investment should have yielded a return of at least 4 per cent there was a further deficiency in earnings of .....	\$11,500,000
Making a total net deficiency in earnings of	\$14,050,000

### P. M. Gault Discusses Crossing Protection

At a meeting in Chicago on April 8, the Western Society of Engineers heard a talk on "Recent Developments in Railroad Highway Grade Crossing Protection" by Paul M. Gault, signal engineer of the Missouri Pacific. Mr. Gault traced the improvements that have been made in protective devices in recent years and developed the necessity for standardization and increased effectiveness; at the same time, he pointed out that "It appears that the mental attitude of the driver has more bearing on whether he will be safe than any kind of warning device that can be provided."

In discussing the relative merits of crossing elimination and the application of

warning devices, Mr. Gault stated, "It must be admitted that grade separation is the only positive protection against crossing accidents. That it is superior to the installation of the latest and most improved signal devices cannot be questioned. However, the cost is far from equal; many crossings can be protected by signal devices for the cost of one grade separation. The question naturally arises as to how the available funds shall be expended, for signals or for grade separation. Apparently, there is ample justification for spending it for both. There are many crossings where the economic loss to the highway using public on account of train occupancy of the crossing will well justify a grade separation even though there be no account taken of improved safety. There are many other crossings where some improved protection is needed and which can be adequately protected by signals rather than to spend a large amount for grade separation. These are things which should be taken into consideration by those who are charged with the responsibility of making decisions as to what should be done so as to get the greatest amount of safety for the largest number of people."

### Meetings and Conventions

The following list gives names of secretaries, dates of next or regular meetings and places of meetings:

- AIR BRAKE ASSOCIATION.—R. P. Ives, 350 Fifth Ave., New York, N. Y.
- ALLIED RAILWAY SUPPLY ASSOCIATION.—J. F. Gettrust, P. O. Box 5522, Chicago, Ill. Annual meeting, October 22-25, 1940, Hotel Sherman, Chicago, Ill.
- AMERICAN ASSOCIATION OF FREIGHT TRAFFIC OFFICERS.—W. R. Curtis, F. T. R. M. & O. R. R., 327 S. La Salle St., Chicago, Ill.
- AMERICAN ASSOCIATION OF GENERAL BAGGAGE AGENTS.—E. P. Soebbing, 1431 Railway Exchange Bldg., St. Louis, Mo. Annual meeting, October 22-24, 1940, Hollywood Beach, Fla.
- AMERICAN ASSOCIATION OF PASSENGER TRAFFIC OFFICERS.—B. D. Branch, C. R. R. of N. J., 143 Liberty St., New York, N. Y.
- AMERICAN ASSOCIATION OF RAILROAD SUPERINTENDENTS.—F. O. Whiteman, Union Station, St. Louis, Mo. Annual meeting, June 4-6, 1940, Hotel Stevens, Chicago, Ill.
- AMERICAN ASSOCIATION OF RAILWAY ADVERTISING AGENTS.—E. A. Abbott, Poole Bros., Inc., 85 W. Harrison St., Chicago, Ill.
- AMERICAN ASSOCIATION OF SUPERINTENDENTS OF DINING CARS.—F. R. Borger, C. I. & L. Ry., 836 S. Federal St., Chicago, Ill.
- AMERICAN RAILWAY BRIDGE AND BUILDING ASSOCIATION.—C. A. Lichty, 319 N. Waller Ave., Chicago, Ill. Annual meeting, October 15-17, 1940, Hotel Stevens, Chicago, Ill.
- AMERICAN RAILWAY CAR INSTITUTE.—W. C. Tabbert, 19 Rector St., New York, N. Y.
- AMERICAN RAILWAY DEVELOPMENT ASSOCIATION.—E. G. Reed, Union Pacific R. R., 1416 Dodge St., Omaha, Neb.
- AMERICAN RAILWAY ENGINEERING ASSOCIATION.—Works in cooperation with the Association of American Railroads, Engineering Division.—W. S. Lacher, 59 E. Van Buren St., Chicago, Ill.
- AMERICAN RAILWAY MAGAZINE EDITORS' ASSOCIATION.—M. W. Jones, Baltimore & Ohio R. R., 1105 B. & O. R. R. Bldg., Baltimore, Md. Spring meeting, May 18, 1940, Read House, Chattanooga, Tenn.
- AMERICAN RAILWAY TOOL FOREMEN'S ASSOCIATION.—G. G. Macina, C. M., St. P. & P. R. R., 11402 Calumet Ave., Chicago, Ill.
- AMERICAN SHORT LINE RAILROAD ASSOCIATION.—J. H. Hunt, Tower Bldg., Washington, D. C.
- AMERICAN SOCIETY OF MECHANICAL ENGINEERS.—C. E. Davies, 29 W. 39 St., New York, N. Y. Spring meeting, May 1-3, 1940, Hotel Bancroft, Worcester, Mass. Semi-annual meeting, June 17-20, 1940, Pilsner Hotel, Milwaukee, Wis. Fall meeting, September 3-5, 1940, Davenport Hotel, Spokane, Wash. Annual meeting, December 2-6, 1940, New York, N. Y.



Railroad Division—C. L. Combes, *Railway Age* 30 Church St., New York, N. Y.

AMERICAN TRANSIT ASSOCIATION.—Guy C. Hecker, 292 Madison Ave., New York, N. Y.

AMERICAN WOOD PRESERVERS' ASSOCIATION.—H. L. Dawson, 1427 Eye St., N. W., Washington, D. C. Annual meeting, 1941, Louisville, Ky.

ASSOCIATION OF AMERICAN RAILROADS.—H. J. Forster, Transportation Bldg., Washington, D. C.

Operations and Maintenance Department.—Charles H. Buford, Vice-President, Transportation Bldg., Washington, D. C.

Operating-Transportation Division.—L. R. Knott, 59 E. Van Buren St., Chicago, Ill.

Operating Section.—J. C. Caviston, 30 Vesey St., New York, N. Y.

Transportation Section.—L. R. Knott, 59 E. Van Buren St., Chicago, Ill.

Fire Protection and Insurance Section.—W. F. Steffens, New York Central, Room 3317, 230 Park Avenue, New York, N. Y.

Freight Station Section.—L. R. Knott, 59 E. Van Buren St., Chicago, Ill.

Medical and Surgical Section.—J. C. Caviston, 30 Vesey St., New York, N. Y. Annual meeting, June 10-11, 1940, Pennsylvania Hotel, New York, N. Y.

Protective Section.—J. C. Caviston, 30 Vesey St., New York, N. Y. Annual meeting, June 26-28, 1940, Windsor Hotel, Montreal, Que.

Safety Section.—J. C. Caviston, 30 Vesey St., New York, N. Y. Annual meeting, June 4-6, 1940, St. Paul Hotel, St. Paul, Minn.

Telegraph and Telephone Section.—W. A. Fairbanks, 30 Vesey St., New York, N. Y. Annual meeting, September 10-12, 1940, Chateau Laurier, Ottawa, Ontario, Canada.

Engineering Division.—W. S. Lacher, 59 E. Van Buren St., Chicago, Ill.

Construction and Maintenance Section.—W. S. Lacher, 59 E. Van Buren St., Chicago, Ill.

Electrical Section.—W. S. Lacher, 59 E. Van Buren St., Chicago, Ill.

Signal Section.—R. H. C. Balliet, 30 Vesey St., New York, N. Y. Annual meeting, October 8-10, 1940, Wardman Park Hotel, Washington, D. C.

Mechanical Division.—V. R. Hawthorne, 59 E. Van Buren St., Chicago, Ill. Annual meeting, June 27-28, 1940, Hotel Stevens, Chicago, Ill.

Electrical Section.—J. A. Andreucetti, 59 E. Van Buren St., Chicago, Ill.

Purchases and Stores Division.—W. J. Farrell, 30 Vesey St., New York, N. Y. Annual meeting, June, 1940, New York, N. Y.

Freight Claim Division.—Lewis Pilcher, 59 E. Van Buren St., Chicago, Ill. Annual meeting, May 21-23, 1940, Chicago, Ill.

Motor Transport Division.—George M. Campbell, Transportation Bldg., Washington, D. C.

Car-Service Division.—E. W. Coughlin, Transportation Bldg., Washington, D. C.

Finance, Accounting, Taxation and Valuation Department.—E. H. Bunnell, Vice-President, Transportation Bldg., Washington, D. C.

Accounting Division.—E. R. Ford, Transportation Bldg., Washington, D. C. Annual meeting, June 18-20, 1940, The Greenbrier, White Sulphur Springs, W. Va.

Treasury Division.—E. R. Ford, Transportation Bldg., Washington, D. C.

Traffic Department.—A. F. Cleveland, Vice-President, Transportation Bldg., Washington, D. C.

ASSOCIATION OF RAILWAY CLAIM AGENTS.—F. L. Johnson, Claim Agent, Alton R. R., 340 W. Harrison St., Chicago, Ill. Annual meeting, May 15-17, 1940, Providence Baltimore Hotel, Providence, R. I.

BRIDGE AND BUILDING SUPPLY MEN'S ASSOCIATION.—W. S. Carlisle, National Lead Company, 900 W. 18th St., Chicago, Ill. Meets with American Railway Bridge and Building Association.

CANADIAN RAILWAY CLUB.—C. R. Crook, 4468 Oxford Ave., N. D. G., Montreal, Que. Regular meetings, second Monday of each month except June, July and August, Windsor Hotel, Montreal, Que.

CAR DEPARTMENT ASSOCIATION OF ST. LOUIS, Mo.—J. J. Sheehan, 1101 Missouri Pacific Bldg., St. Louis, Mo. Regular meetings, third Tuesday of each month, except June, July and August, Hotel De Soto, St. Louis, Mo.

CAR DEPARTMENT OFFICERS' ASSOCIATION.—Frank Kartheiser, Chief Clerk, Mechanical Dept., C. B. & O., Chicago, Ill. Annual meeting, October 22-25, 1940, Hotel Sherman, Chicago, Ill.

CAR FOREMEN'S ASSOCIATION OF CHICAGO.—G. K. Oliver, 2514 W. 55th St., Chicago, Ill. Regular meetings, second Monday of each month, except June, July and August, La Salle Hotel, Chicago, Ill.

CENTRAL RAILWAY CLUB OF BUFFALO.—Mrs. M. D. Reed, 1817 Hotel Statler, McKinley Square, Buffalo, N. Y. Regular meetings, second Thursday of each month, except June, July and August, Hotel Statler, Buffalo, N. Y.

EASTERN ASSOCIATION OF CAR SERVICE OFFICERS.—J. T. Bougher, 424 W. 33rd St. (11th floor), New York, N. Y.

INTERNATIONAL RAILWAY GENERAL FOREMEN'S ASSOCIATION (See Locomotive Maintenance Officers' Association).

INTERNATIONAL RAILWAY MASTER BLACKSMITHS' ASSOCIATION.—W. J. Mayer, Michigan Central R. R., Detroit, Mich.

LOCOMOTIVE MAINTENANCE OFFICERS' ASSOCIATION.—J. E. Goodwin, Gen. Foreman, Loco. Dept., Missouri Pacific R. R., No. Little Rock, (P. O. Little Rock), Ark. Annual meeting, October 22-25, 1940, Hotel Sherman, Chicago, Ill.

MASTER BOILER MAKERS' ASSOCIATION.—A. F. Stiglmeier, 29 Parkwood St., Albany, N. Y. Annual meeting, October 22-25, 1940, Hotel Sherman, Chicago, Ill.

NATIONAL ASSOCIATION OF RAILROAD AND UTILITIES COMMISSIONERS.—Clyde S. Bailey, New Post Office Bldg., Washington, D. C. Annual meeting, December 10-12, 1940, Miami, Fla.

NATIONAL RAILWAY APPLIANCES ASSOCIATION.—C. H. White, Room 1826, 208 S. La Salle St., Chicago, Ill.

NEW ENGLAND RAILROAD CLUB.—W. E. Cade, Jr., 683 Atlantic Ave., Boston, Mass. Regular meetings, second Tuesday of each month, except June, July, August and September, Hotel Touraine, Boston, Mass.

NEW YORK RAILROAD CLUB.—D. W. Pye, 30 Church St., New York, N. Y. Regular meetings, third Thursday of each month, except June, July, August, September and December, 29 W. 39th St., New York, N. Y.

PACIFIC RAILWAY CLUB.—William S. Wollner, P. O. Box 3275, San Francisco, Cal. Regular meetings, second Thursday of each alternate month, at Palace Hotel, San Francisco, and second Friday of each alternate month at Hotel Hayward, Los Angeles.

RAILWAY BUSINESS ASSOCIATION.—P. H. Middleton, First National Bank Bldg., Chicago, Ill.

RAILWAY CLUB OF PITTSBURGH.—J. D. Conway, 1941 Oliver Bldg., Pittsburgh, Pa. Regular meetings, fourth Thursday of each month, except June, July and August, Fort Pitt Hotel, Pittsburgh, Pa.

RAILWAY ELECTRIC SUPPLY MANUFACTURERS' ASSOCIATION.—J. McC. Price, Allen-Bradley Company, 600 W. Jackson Blvd., Chicago, Ill.

RAILWAY FUEL AND TRAVELING ENGINEERS' ASSOCIATION.—T. Duff Smith, 1255 Old Colony Bldg., Chicago, Ill. Annual meeting, October 22-25, 1940, Hotel Sherman, Chicago, Ill.

RAILWAY SUPPLY MANUFACTURERS' ASSOCIATION.—J. D. Conway, 1941 Oliver Bldg., Pittsburgh, Pa.

RAILWAY TELEGRAPH AND TELEPHONE APPLIANCE ASSOCIATION.—G. A. Nelson, Waterbury Battery Company, 30 Church St., New York, N. Y. Meets with Telegraph and Telephone section of A. A. R.

RAILWAY TIE ASSOCIATION.—Roy M. Edmonds, 903 Syndicate Trust Bldg., St. Louis, Mo. Annual meeting, May 14-15, 1940, Brown Hotel, Louisville, Ky.

ROADMASTERS' AND MAINTENANCE OF WAY ASSOCIATION.—C. A. Lichty, 319 N. Waller Ave., Chicago, Ill. Annual meeting, September 10-12, 1940, Hotel Stevens, Chicago, Ill.

SIGNAL APPLIANCE ASSOCIATION.—G. A. Nelson, Waterbury Battery Company, 30 Church St., New York, N. Y. Meets with A. A. R., Signal Section.

SOUTHERN AND SOUTHWESTERN RAILWAY CLUB.—A. T. Miller, 4 Hunter St., S. E. Atlanta, Ga. Regular meetings, third Thursday in January, March, May, July, September and November, Ansley Hotel, Atlanta, Ga.

SOUTHERN ASSOCIATION OF CAR SERVICE OFFICERS.—D. W. Brantley, C. of Ga. Ry., Savannah, Ga.

TORONTO RAILWAY CLUB.—D. M. George, P. O. Box 8, Terminal "A," Toronto, Ont. Regular meetings, fourth Monday of each month, except June, July and August, Royal York Hotel, Toronto, Ont.

TRACK SUPPLY ASSOCIATION.—Lewis Thomas, O. & C. Company, 59 E. Van Buren St., Chicago, Ill. Meets with Roadmasters' and Maintenance of Way Association.

UNITED ASSOCIATIONS OF RAILROAD VETERANS.—Roy E. Collins, 112 Hatfield Place, Port Richmond, Staten Island, N. Y. Annual meeting, October 12-13, 1940, Hotel Buena Vista, Biloxi, Miss.

WESTERN RAILWAY CLUB.—W. L. Fox (Executive Secretary), Room 822, 310 South Michigan Ave., Chicago, Ill. Regular meetings, third Monday of each month, except June, July, August and September, Hotel Sherman, Chicago, Ill.

## Supply Trade

### General Electric Company

The annual report of the General Electric Company for the year ended December 31, 1939, shows a net income after all charges of \$41,235,644, as compared with \$27,729,329 in 1938, an increase of 49 per cent, and equivalent to \$1.43 per share on common stock, compared with 96 cents in 1938. Cash dividends totalling \$1.40 a share were declared and paid during the year.

Orders received during 1939 amounted to \$360,748,386, compared with \$252,176,223 during 1938, an increase of 43 per cent. Net sales billed, which represent shipments, amounted to \$304,680,270, compared with \$259,484,341 in the previous year, an increase of 17 per cent. The report states that the weighted average selling price of all General Electric products during 1939 was about 2 per cent less than in the preceding year and was equal to the lowest average price of any year since 1915.

The Ryan Devices Company, Chicago, has been appointed sales representative for the O. C. Duryea Corporation.

Bernard Ponessa has been appointed assistant traffic manager of the Phelps Dodge Corporation, New York.

H. N. Hayes, district sales manager of the Coffing Hoist Company, Danville, Ill., has been promoted to general sales manager.

George W. Alcock, since 1936 assistant to the president of the Franklin Railway Supply Company, Inc., has been made a vice-president. His headquarters will continue to be at New York. Mr. Alcock was in the engineering department



George W. Alcock

of the American Locomotive Company from 1902 until the World War. During the War, he was special assistant to W. H. Marshall in the Production division of the U. S. Army Ordnance Department. At the close of the War, he entered the sales department of Lima Locomotive Works, Inc., in 1934 was appointed assistant to the president of that company, and in 1939 assistant to the chairman, which position he

still holds. Since 1934, he has also been secretary and treasurer of The Locomotive Institute.

**R. S. Robinson** has been appointed manager of the **Graybar Electric Company's** branch office at Tampa, Fla. Mr. Robinson has served with the company and its predecessor for 28 years. **L. M. Smith** who has been with the company since 1929, has been appointed sales manager of the Graybar branch office at Orlando. On March 18, the address of the Graybar Electric Company's branch office at Worcester, Mass., was changed to 165 Commercial st.

**John J. Crowe**, manager of the Apparatus Research and Development department of the **Air Reduction Company**, New York, has been appointed assistant to **Herman Van Fleet**, vice-president and operating manager. Mr. Crowe will direct the activities of the Apparatus Research & Development department and will co-ordinate these activities with similar activities for **Wilson Welder & Metals Co., Inc.** In addition, he will handle apparatus patent matters for Mr. Van Fleet. **H. E. Landis, Jr.**, assistant to Mr. Crowe, has been appointed manager of the Apparatus Research & Development department and **C. G. Andrew** has been appointed manager of gas plants.

**Roland Whitehurst**, manager Washington, D. C., branch of **The Electric Storage Battery Company**, has been appointed assistant general sales manager, with headquarters at the home office of the company in Philadelphia, Pa. **J. A. Klin-**



(c) Harris & Ewing

**Roland Whitehurst**

**gensmith**, of the local Exide sales staff, succeeds Mr. Whitehurst as manager of the Washington branch. Mr. Whitehurst, has been in the employ of the company since 1908, and has been manager of the Washington branch for 20 years. He was formerly attached to the New York branch. Mr. Whitehurst is an active member of a large number of technical and civic organizations.

**Earl E. Thulin**, district manager of the **Duff-Norton Manufacturing Company**, Pittsburgh, Pa., with headquarters at Chicago, has been elected vice-president and general manager of sales. For the present, he will be located at Chicago and

later in the year will move to the general offices at Pittsburgh. **C. N. Thulin**, vice-president at Chicago, will act in a sales executive capacity as a special representa-



**Earl E. Thulin**

tive in all territories. **W. I. Floyd**, assistant to the president, at Pittsburgh, has also been appointed assistant general manager of sales, with the same headquarters.

**Earl E. Thulin** was born on May 8, 1901, in St. Paul, Minn., and after graduating from Lane Technical High School in Chicago, entered the employ of the sales and service department of the **Duff-Norton Manufacturing Company**. Later he was promoted to district manager at Chicago.

## OBITUARY

**Charles J. Nash**, president of the Universal Draft Gear Attachment Company, Chicago, from 1912 to 1932, died in the city on April 9 at the age of 75 years.

**L. Gerard Smith**, assistant treasurer of the Vapor Car Heating Company of Canada, Ltd., Montreal, Que., died in that city on March 14, at the age of 68 years. He had been in the employ of the company since May, 1922.

**Frank A. Purdy**, manager of sales of the Vapor Car Heating Company of Canada, Ltd., Montreal, Que., died in that city on March 21, at the age of 74 years. He had been with the company since January, 1916.

## Construction

**BALTIMORE & OHIO—PENNSYLVANIA.**—The New York Public Service Commission has approved a bid of \$177,111 submitted by **C. P. Ward, Inc.**, Rochester, N. Y., covering the elimination of the Chili avenue crossings of these roads in Rochester, and has directed the Department of Public Works to award the necessary contract and begin the work as soon as practicable.

**CHICAGO, ROCK ISLAND & PACIFIC.**—The Minnesota Department of Highways has awarded a contract amounting to \$28,867 to **Adolphson and Huseth**, Thief River Falls, Minn., for the construction of a

single-track railroad bridge consisting of two 35-ft. 3-in. and one 38-ft. 3-in. beam spans over trunk highway No. 69, 1½ mi. southwest of Albert Lea, Minn. The work to be performed by the railroad in connection with this project will cost approximately \$3,140.

**DELAWARE, LACKAWANNA & WESTERN.**—The New York Public Service Commission, which has ordered the elimination of grade crossings on this road in Syracuse, N. Y., involving the use of about 6,000 tons of steel for the work, has approved plans for the water line changes to be made in connection with the elimination of grade crossings.

**GREAT NORTHERN.**—A contract amounting to \$63,400 has been awarded **W. W. Magee**, St. Paul, Minn., by the Department of Highways for the construction of a bridge consisting of two 48-ft. 9-in. beam spans for two tracks of the Great Northern over two 30-ft. roadways for trunk highway No. 100 (a belt line highway around the Twin Cities), at Robbinsdale, Minn. Work to be performed by railroad forces in connection with this project will cost approximately \$20,765 additional.

**GREAT NORTHERN.**—The Minnesota Department of Highways has awarded a contract amounting to \$179,550 to the **Okes Construction Company**, St. Paul, Minn., for the construction of a highway bridge on Jackson street in St. Paul, over the Great Northern main tracks and engine terminal. The structure will consist of nine I-beam spans with a total length of 480 ft. 5 in., providing a 40-ft. roadway and two 7-ft. 6-in. sidewalks. Work to be performed by the Great Northern in connection with this project will cost approximately \$14,670, and by the City of St. Paul Water Board will cost approximately \$11,125 additional.

**LEHIGH VALLEY—DELAWARE, LACKAWANNA & WESTERN.**—A low bid of \$281,151 submitted by the **Bero Engineering & Construction Corporation**, North Tonawanda, N. Y., for the elimination of the Union Road crossings of these two railroads in the town of Cheektowaga, N. Y., has been approved by the New York Public Service Commission, which has directed the Public Works Department to award the contract and begin work as soon as practicable.

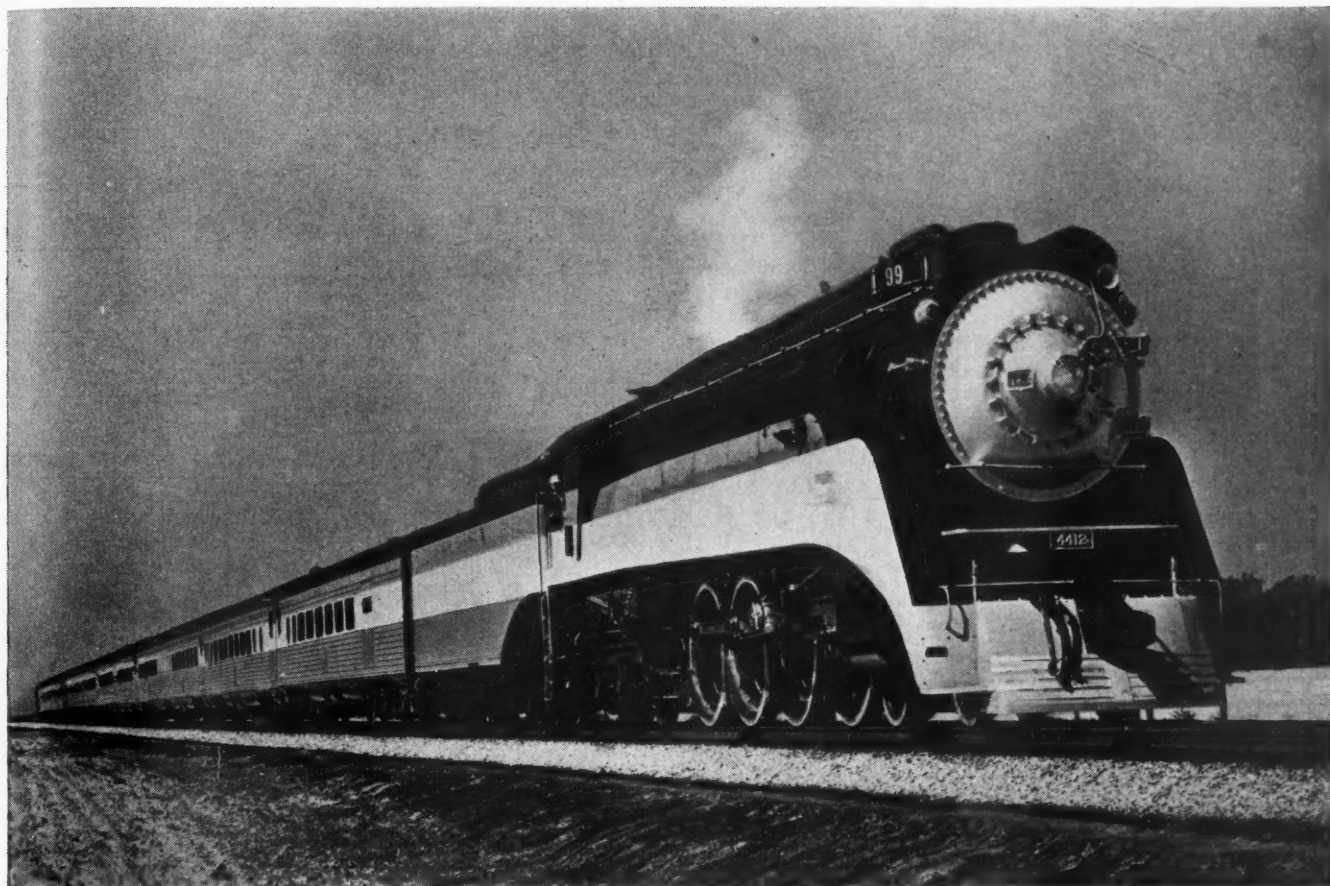
**LONG ISLAND.**—**Tully & DiNapoli, Inc.**, Long Island City, N. Y., has been given the general contract for grade-crossing elimination work at Medford, N. Y. The cost of the work will be about \$165,952.

**LONG ISLAND.**—Bids are wanted April 23 for work on the Atlantic Avenue improvement grade-crossing elimination project at subway section No. 1 and subway section No. 2, the probable cost of which will be \$5,300,000.

**MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE.**—A contract amounting to \$53,800 has been awarded **Megarry Brothers**, St. Cloud, Minn., by the Department of Highways, for the construction of a single-track, 38-ft. beam span on the Soo Line over a 30-ft. roadway of trunk highway



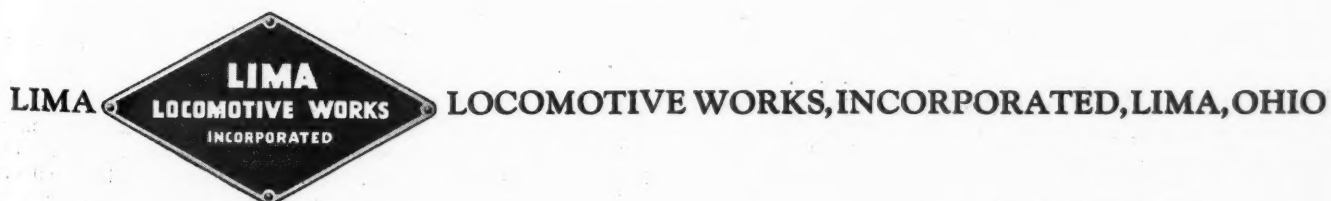
# Congested HIGHWAY traffic



... is a source of  
potential revenue

Progressive railroads like the Southern Pacific, by offering the proper inducements in the form of high-speed luxury streamliners, are persuading passengers to choose train travel in preference to the hazards and delays of the highways.

The Lima-Built "Daylights" have proved that this potential source of revenue can be made an actuality. Streamline your road with Lima Power and augment your revenues!



No. 23, northeast of Blackhoof, Minn. The railroad will perform additional work in connection with this project which will cost approximately \$3,760.

**NORFOLK & WESTERN.**—A contract has been awarded to Haley, Chisholm & Morris, Charlottesville, Va., for the construction of concrete masonry work in connection with Bridge 860 at Maybeury, W. Va. The approximate cost for this work is \$50,000.

**VIRGINIAN.**—This company has requested the Interstate Commerce Commission to extend from April 15, 1940, to April 15, 1942, the time within which it may construct a 11-mile extension in Wyoming County, W. Va.

## Equipment and Supplies

### LOCOMOTIVES

THE ARGENTINE STATE RAILWAYS are inquiring for 10 locomotives of the 4-6-2 type. Jorge Castro Madero, chief stores division, Buenos Aires.

### FREIGHT CARS

THE CANADIAN NATIONAL is inquiring for 150 freight ballast cars.

THE ATCHISON, TOPEKA & SANTA FE is inquiring for 50 70-ton covered hopper cars.

THE DENVER & RIO GRANDE WESTERN has placed an order with company shops for the construction of 10 caboose and 100 stock cars to cost \$325,000.

THE ROYAL STATE RAILWAYS OF SIAM have ordered 500 covered goods wagons of about 20 tons' capacity, from the Magor Car Corporation. Col. Luang Seri Reungriddhi, director general, Bangkok, Thailand (Siam). Inquiry for this equipment was reported in the *Railway Age* of October 7, 1939, p. 540.

### PASSENGER CARS

THE CANADIAN NATIONAL is inquiring for 25 baggage cars and 5 mail cars.

### IRON AND STEEL

THE BALTIMORE & OHIO has placed an order for 500 tons of 100-lb. rail with the Bethlehem Steel Company.

THE NEW YORK CENTRAL has placed an order for 565 tons of steel for bridge repairs at Hoffman's and Highland Falls, N. Y., with the Watt Construction Company, Albany, N. Y.

**LONG ISLAND.**—A contract has been given to the American Bridge Company for 100 tons of steel for use in the grade crossing elimination work at Medford, N. Y. Tully & DiNapoli, Inc., Long Island City, N. Y., has the general contract for this work.

## Financial

**ATCHISON, TOPEKA & SANTA FE.**—*Abandonment by the Gulf, Colorado & Santa Fe and Cane Belt.*—The Cane Belt and the Gulf, Colorado & Santa Fe, respectively, have asked the Interstate Commerce Commission for authority to abandon a line and the operation of a line extending from Eldridge, Tex., to Bonus, 5.5 miles.

**ATCHISON, TOPEKA & SANTA FE.**—*Annual Report.*—The 1939 annual report of this railway shows net income, after interest and other charges, of \$8,490,832, an increase of \$274,288 compared with net income in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
RAILWAY OPERATING REVENUES	\$160,039,966	+\$5,716,740
Maintenance of way	23,724,841	+3,969,819
Maintenance of equipment	34,584,862	+1,104,151
Transportation—Rail	57,249,355	-221,303
TOTAL OPERATING EXPENSES	125,334,704	+4,922,690
Operating ratio	78.31	+0.28
NET REVENUE FROM OPERATIONS	34,705,261	+794,049
Railway tax accruals	15,484,668	+496,469
Equipment and joint facility rents	49,727	-847,167
NET RAILWAY OPERATING INCOME	19,170,865	+1,144,747
Other income	2,885,423	-964,824
TOTAL INCOME	22,056,289	+179,924
Rent for leased roads, etc.	397,567	+43,503
NET INCOME	\$8,490,832	+\$274,288

**BANGOR & AROOSTOOK.**—*Annual Report.*—The 1939 annual report of this company shows net income, after interest and other charges, of \$215,621, a decrease of \$23,348 compared with net income in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
RAILWAY OPERATING REVENUES	\$5,119,438	-\$496,440
Maintenance of way	1,007,189	-144,049
Maintenance of equipment	998,620	-67,947
Transportation	1,424,071	-110,516
TOTAL OPERATING EXPENSES	3,803,473	-332,035
NET REVENUE FROM OPERATIONS	1,315,965	-164,404
Railway tax accruals	482,931	-82,424
Railway operating income	833,034	-81,980
Net rents	112,704	+52,940
NET RAILWAY OPERATING INCOME	945,738	-29,040
Other income	61,730	+17,845
TOTAL INCOME	1,007,468	-11,196
Interest on funded debt	749,786	+4,902
TOTAL FIXED CHARGES	772,443	+9,600
NET INCOME	\$215,621	-\$23,348

**BESSEMER & LAKE ERIE.**—*Annual Re-*

*port.*—The 1939 annual report of this company shows net income of \$4,201,016 after interest and other charges, an increase of \$2,963,818 as compared with net income in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
RAILWAY OPERATING REVENUES	\$13,687,456	+\$5,142,543
TOTAL OPERATING EXPENSES	7,384,821	+1,646,761
NET REVENUE FROM OPERATIONS	6,302,635	+3,495,781
Railway tax accruals	1,713,925	+749,692
Railway operating income	4,588,709	+2,746,089
Net rents	384,608	+112,425
NET RAILWAY OPERATING INCOME	4,973,318	+2,858,514
Other income	99,706	+78,398
TOTAL INCOME	5,073,024	+2,936,913
Rent for leased roads	(Cr) 12,156	-30,285
Interest on funded debt	782,549	-17,379
TOTAL FIXED CHARGES	818,120	-40,052
NET INCOME	\$4,201,016	+\$2,963,818

**CHICAGO & EASTERN ILLINOIS.**—*Annual Report.*—The 1939 annual report of this company shows net deficit, after interest and other charges, of \$1,119,191, a decrease of \$268,457 as compared with net deficit in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
Average Mileage Operated	926.61	-15
RAILWAY OPERATING REVENUES	\$15,336,250	+\$1,047,464
Maintenance of way	1,834,651	+136,232
Maintenance of equipment	2,629,289	+380,630
Transportation—Rail	5,998,633	+106,522
TOTAL OPERATING EXPENSES	11,839,710	+597,617
NET REVENUE FROM OPERATIONS	3,496,539	+449,847
Railway tax accruals	914,000	-34,000
Railway operating income	2,582,539	+483,847
Equipment rents—net Dr.	876,447	-55,998
Joint facility rents—net Dr.	684,019	+185,038
NET RAILWAY OPERATING INCOME	1,022,072	+354,807
Other income	337,450	+89,646
TOTAL INCOME	1,359,523	+444,453
Rent for leased roads and equipment	185,700	+27,063
Interest on funded debt	1,595,491	-8,620
TOTAL FIXED CHARGES	2,287,543	+15,809
NET DEFICIT	\$1,119,191	-\$268,457

Disposition of net income:  
Appropriation of income for sinking fund \$177,500  
Int. on bonds in sinking fund 217,880

Balance of income transferred to Profit and Loss \$1,514,571

**CENTRAL VERMONT.**—*Extension of Bonds of New London Northern.*—The New London Northern has asked the Interstate Commerce Commission for authority to extend the maturity date of \$1,500,000 of first mortgage four per cent gold bonds maturing July 1, 1940, to July 1, 1955,

Continued on next left-hand page



# SMOOTH STARTS...

from wherever  
the drivers  
**STOP.**

The average locomotive is forced to make most of its starts with only one cylinder. This means that slack must be taken to place the drivers in a more favorable position . . . unless the locomotive is equipped with a Booster.\* » » » The Locomotive Booster capitalizes idle weight and spare steam, and supplies the necessary added power for smooth, quick starts . . . *no matter where the drivers*

*stop.* » » » Whether your locomotives are new or old they need the added help the Booster provides for the protection of your passengers and equipment.



\*Trademark Registered United States Patent Office



## FRANKLIN RAILWAY SUPPLY COMPANY, INC.

NEW YORK  
CHICAGO  
MONTREAL

April 13, 1940

30

with no change in the interest rate for the extended period. The company stated in its petition that for each \$1,000 worth of bonds extended it will pay \$15.

**CHICAGO & NORTH WESTERN.—Abandonment.**—This company has been authorized by Division 4 of the Interstate Commerce Commission to abandon its Ormsby branch, extending from a connection with its Ashland division at Ormsby Line Junction, Wisc., westward to Ormsby, 4.3 miles. At the same time, at the request of the company, Division 4 dismissed the application to abandon part of the northerly segment of the Laona line extending from Lindel's Spur, Wisc., northward to a connection with the system Peninsula division at Scott Lake, Mich., 10.2 miles.

**CHICAGO & NORTH WESTERN.—Reorganization.**—The Interstate Commerce Commission has refused to modify its final plan of reorganization for this company in any material respect, but has made certain minor changes in the manner in which the Reconstruction Finance Corporation's claims against the road are to be handled. In a supplemental report the commission also revised the method of choosing one of the five voting trustees for the preferred and common stock of the reorganized company. Under the revised plan, one of the trustees, instead of being chosen solely by the general creditors of the company, will be chosen by these creditors and the holders of the 20-year convertible 4¾ per cent, series A, bonds of 1949, acting together and as a single class.

**CHICAGO & NORTH WESTERN.—Annual Report.**—The 1939 annual report of this company shows net deficit of \$9,109,868 after interest and other charges, a decrease of \$6,166,115 as compared with net deficit in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
Average Mileage Operated	8,349	-42
RAILWAY OPERATING REVENUES	\$87,250,460	+\$6,194,591
Maintenance of way	13,861,270	+768,227
Maintenance of equipment	17,536,364	-1,724
Transportation	34,824,161	+413,841
TOTAL OPERATING EXPENSES	72,274,873	+1,228,489
Operating ratio	82.8	-4.9
NET REVENUE FROM OPERATIONS	14,975,587	+4,966,102
Railway tax accruals	6,193,010	-920,243
Equipment rents—net	2,898,657	+66,147
Joint facility rents—net	161,660	-27,573
NET RAILWAY OPERATING INCOME	5,722,260	+5,847,771
Other income	1,773,028	+175,458
TOTAL INCOME	7,495,288	+6,023,229
Rent for leased roads	4,967	+2,046
Interest on funded debt	13,323,477	-129,144
TOTAL FIXED CHARGES	16,455,349	-94,391
NET DEFICIT	\$9,109,868	-\$6,166,115

**CHICAGO, INDIANAPOLIS & LOUISVILLE.—Annual Report.**—The 1939 annual report of this company shows net deficit of \$1,061,046 after interest and other charges, a

decrease of \$789,973 as compared with net deficit in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
RAILWAY OPERATING REVENUES	\$9,362,131	+\$1,005,018
TOTAL OPERATING EXPENSES	7,358,343	+227,540
Operating ratio	78.60	-6.73
NET REVENUE FROM OPERATIONS	2,003,787	+777,478
Taxes	441,745	-57,645
Railway operating income	1,562,042	+835,124
Net rents payable	1,157,616	+16,413
NET RAILWAY OPERATING INCOME	404,425	+818,710
Other income	85,647	-1,584
TOTAL INCOME	490,072	+817,126
Total miscellaneous deductions	16,815	+225
Income available for fixed charges	473,257	+816,901
TOTAL FIXED CHARGES	1,534,303	+26,927
NET DEFICIT	\$1,061,046	-\$789,973

**COLORADO & SOUTHERN.—Abandonment.**—This company has asked the Interstate Commerce Commission for authority to abandon its narrow gauge Clear Creek line extending from Golden, Colo., to Idaho Springs, 21.8 miles, together with the Black Hawk branch, 7.8 miles.

**COPPER RANGE.—Acquisition.**—This company has been authorized by Division 4 of the Interstate Commerce Commission to acquire a line extending from Mohawk, Mich., to Gay, 15.6 miles. The line, known as the Mohawk & Traverse Bay, has been operated by the Copper Range since 1917.

**DELAWARE & HUDSON CORP.—Annual Report.**—The 1939 annual report of this road shows net income, after interest and other charges, of \$1,593,023, an increase of \$1,749,227 over the 1938 figure. Selected items from the income account follow:

	1939	Increase or Decrease Compared With 1938
RAILWAY OPERATING REVENUES	\$25,460,021	+\$4,246,515
Maintenance of way	2,647,426	+701,566
Maintenance of equipment	4,359,484	+732,623
Transportation	9,085,914	+402,592
TOTAL OPERATING EXPENSES	17,597,228	+1,608,284
Operating ratio	69.12	-6.25
NET REVENUE FROM OPERATIONS	7,862,792	+2,638,230
Railway tax accruals	1,981,629	+361,581
Equipment rents—Net	241,213	+272,108
Joint facility rents—Net	126,427	+5,008
NET RAILWAY OPERATING INCOME	5,513,522	+1,999,532
Other income	121,583	-75,214
TOTAL INCOME	5,635,106	+1,924,318
Rent for leased roads	1,780,427	-5,833
Interest on funded debt	2,005,000	.....
TOTAL DEDUCTIONS FROM GROSS INCOME	4,042,083	+175,090
NET INCOME	\$1,593,023	+\$1,749,227

**DENVER & RIO GRANDE WESTERN.—Abandonment.**—This company has asked the Interstate Commerce Commission for authority to abandon a line extending from

Antonito, Colo., to Santa Fe, N. Mex., 125.3 miles. The application pointed out that for the past several years the traffic on the line has been gradually diminishing and that it would be far too expensive to rehabilitate the line for the amount of traffic that is carried.

**Reorganization.**—Petitions of parties to reopen this company's reorganization proceedings under section 77 of the Bankruptcy Act and to modify the final plan of reorganization so that the new company would not be forced to merge with the Denver & Salt Lake Western, the Denver & Salt Lake, the Rio Grande Junction, and the Goshen Valley have been denied by the commission in a supplemental decision. Chairman Eastman wrote a short concurring opinion in which he cast doubt on the proposition that the merger of the companies would result in benefits to the D. & R. G. W.

**DUE WEST.—Abandonment.**—This company has been authorized by Division 4 of the Interstate Commerce Commission to abandon as to interstate and foreign commerce, its entire line extending from Due West, S. C., to Donalds, 4.5 miles.

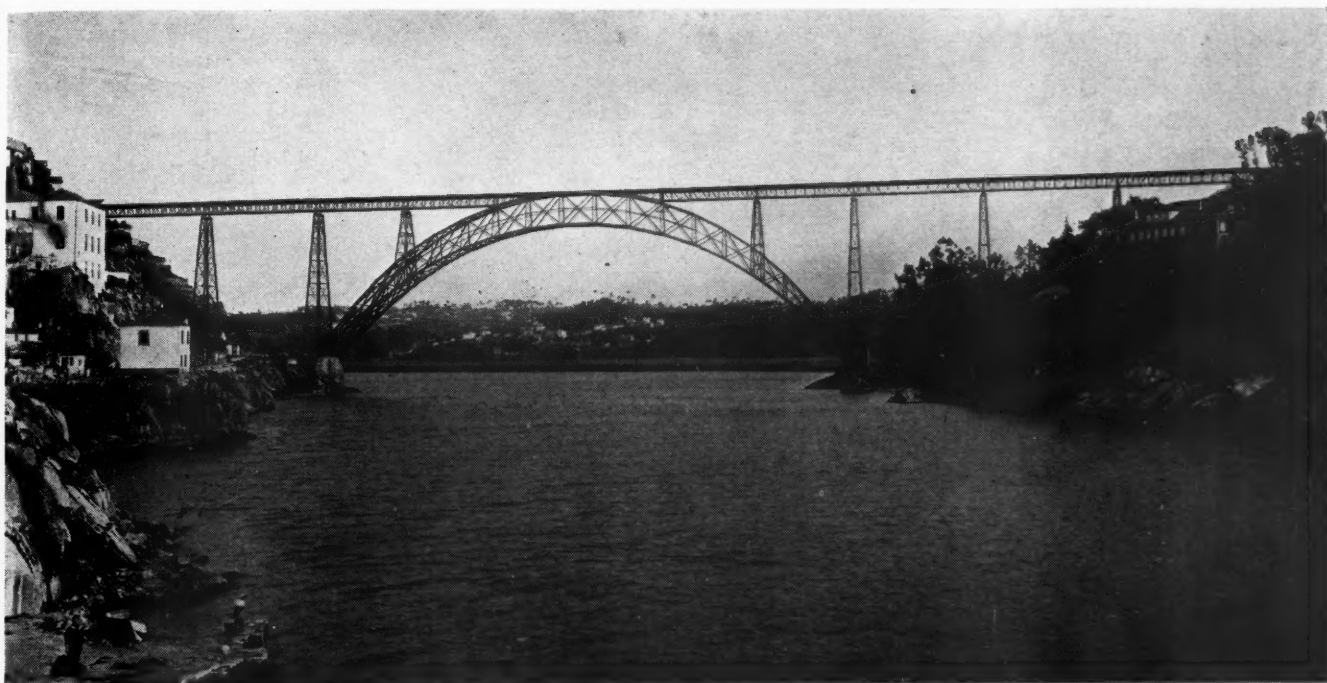
**ERIE.—Purchase by the New York, Lake Erie & Western Coal & Railroad Co.**—The New York, Lake Erie & Western Coal & Railroad Co., an Erie subsidiary, has asked authority from the Interstate Commerce Commission to purchase the right-of-way, tracks, and other property of the Brockport & Shawmut, the charter of which has expired. The Brockport & Shawmut extends from Brockport, Pa., to Shawmut, 2.4 miles.

**FLORIDA EAST COAST.—Annual Report.**—The annual report of this road for the year ended December 31, 1939, shows net deficit, after interest and other charges, of \$2,091,031, an increase of \$125,506 as compared with net deficit in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
Average Mileage Operated	685	.....
RAILWAY OPERATING REVENUES	\$9,261,366	-\$333,024
Maintenance of way	1,308,420	+130,424
Maintenance of equipment	1,799,210	+44,833
Transportation—Rail	3,081,009	-88,281
TOTAL OPERATING EXPENSES	7,133,544	+130,944
NET REVENUE FROM OPERATIONS	2,127,822	-463,969
Railway tax accruals	781,482	-134,716
Railway operating income	1,346,339	-329,253
Hire of equipment—net Dr.	592,638	-27,297
Joint facility rents—net Dr.	10,002	-16,162
NET RAILWAY OPERATING INCOME	743,698	-285,793
Other income	90,968	+3,080
GROSS INCOME	834,667	-282,712
Interest on funded debt	2,831,251	-37,908
NET DEFICIT	\$2,091,031	+\$125,506

**FORDYCE & PRINCETON.—Abandonment.**—This company has been authorized by Di-





## M A R I A P I A B R I D G E

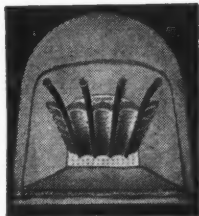
### P O R T U G A L

This graceful arch bridge carries the single track trunk route of the Portuguese Railways across the River Douro, at Porto in Northern Portugal. Constructed prior to 1914, it has a total length of 650 ft. with a central arch span of 310 ft. This viaduct carries heavy steam passenger and freight traffic at a height of 120 ft. over the River Douro. » » » The Security Sectional Arch, the first practical firebox arch, has been constantly developed to keep pace with present day railroad demands, and is today an essential factor in the economical operation of modern steam motive power.

*There's More to SECURITY ARCHES Than Just Brick*

**HARBISON-WALKER  
REFRACTORIES CO.**

***Refractory Specialists***



**AMERICAN ARCH CO.  
INCORPORATED**

60 EAST 42nd STREET, NEW YORK, N. Y.

***Locomotive Combustion  
Specialists***

vision 4 of the Interstate Commerce Commission to abandon its Midway branch extending from station 00 plus 00 to the end of the line at station 158 plus 40, three miles, in Dallas County, Ark.

**GILMORE & PITTSBURGH.—Abandonment.**—This company has been authorized by Division 4 of the Interstate Commerce Commission to abandon its entire line extending from Armstead, Mont., to Salmon, Idaho, 100 miles, with a branch line from Leadore, Idaho, to Gilmore, 18 miles.

**GREAT NORTHERN.—Refinancing.**—This company has accepted the Reconstruction Finance Corporation's offer to finance \$20,000,000 of the near maturity of \$28,132,000 of St. Paul, Minneapolis & Manitoba Pacific Extension four per cent mortgage bonds. The refinancing of the bonds, which will mature July 1, would be accomplished by issuing \$20,000,000 of new four per cent collateral trust bonds, maturing January 1, 1952, which the R. F. C. would take at par. The remaining \$8,132,000 would be paid off in cash by the Great Northern. The road had received attractive offers from private bankers, but preferred the terms of the federal lending agency, according to Mr. Jones.

**ILLINOIS CENTRAL.—Operation.**—This company has been authorized by Division 4 of the Interstate Commerce Commission to operate, under trackage rights, over the Municipal Bridge and approaches crossing the Mississippi River between St. Louis, Mo., and East St. Louis, Ill., 2.3 miles.

**ILLINOIS CENTRAL.—Equipment Trust Certificates.**—This company has asked the Interstate Commerce Commission for authority to assume liability for \$4,734,000 of 2½ per cent equipment trust certificates, maturing in 18 equal semiannual installments of \$263,000 beginning September 1, 1940, and ending March 1, 1949. The certificates will be used to finance the acquisition of 2,000 box cars which the company purchased in 1938 and 1939 on a lease arrangement. The application points out that under the lease agreement the interest charge for the remaining 14 year period would amount to \$1,604,000, while under the proposed equipment trust the interest would amount to \$562,000 over a period of nine years. The \$4,734,000 issue will represent 87.3 per cent of the total purchase price of the cars which was \$5,420,000.

**JOPLIN UNION DEPOT.—Bonds.**—This company has asked the Interstate Commerce Commission for authority to issue \$650,000 of three per cent serial bonds to refund a like amount of first mortgage 4½ per cent bonds which are due May 1, 1940. The new issue will mature in 15 series, 14 of which will be \$25,000 each maturing on May 1, 1940 and one each year thereafter, while the 15th of \$300,000 will mature in 15 years.

**Guarantee.**—The Atchison, Topeka & Santa Fe, the Missouri-Kansas-Texas, and the Kansas City Southern have applied to the commission for authority to guarantee the principal and interest of the bonds.

**KANSAS CITY SOUTHERN.—Annual Report.**—The 1939 annual report of this road shows net income after interest and other

charges of \$794,318, an increase of \$447,045 compared with net income in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
Average Mileage Operated	878.78	.....
RAILWAY OPERATING REVENUES	\$13,384,888	+\$404,440
Maintenance of way	1,160,008	-170,446
Maintenance of equipment	1,979,023	+148,998
Transportation	3,923,239	+55,117
TOTAL OPERATING EXPENSES	8,379,969	+4,418
Operating ratio	71.92	-1.70
NET REVENUE FROM OPERATIONS	5,004,918	+400,021
Railway tax accruals	1,246,000	+65,318
Railway operating income	3,758,918	+334,703
Equipment rents—net Dr.	478,694	+33,112
Joint facility rents—net Dr.	123,191	+11,373
NET RAILWAY OPERATING INCOME	3,157,032	+290,216
Other income	369,823	+114,939
TOTAL INCOME	3,526,855	+405,155
Rent for leased roads	15,500	.....
Interest on funded debt	2,681,122	-388
TOTAL FIXED CHARGES	2,699,271	-43,960
NET INCOME	\$794,318	+\$447,045

**KENTUCKY & INDIANA.—Pledge of Bonds.**—This company has asked the Interstate Commerce Commission to extent to December 31, 1941, the time within which it may pledge or repledge all or any part of \$511,000 of first mortgage 4½ per cent gold bonds as collateral security for any short-term notes that it may issue, the pledges to be maintained at a ratio of \$125 of bonds in value at the market price thereof then prevailing, to \$100 face amount of notes.

**MISSOURI PACIFIC.—Purchase of Union Terminal and St. Joseph Belt.**—This company has asked authority from the Interstate Commerce Commission to acquire control through the purchase of stock of the Union Terminal and the St. Joseph Belt in St. Joseph, Mo. The roads will be purchased from Terminal Shares, Inc. and the acquisition will settle a lawsuit which arose out of the former purchase of these properties and terminal properties in North Kansas City, Mo. by the Missouri Pacific and the voiding of the purchase by the court after the road had gone into trusteeship.

Originally, the Missouri Pacific had paid \$3,200,000 as part payment of \$20,000,000 for all the properties. The court ordered the trustee to sue Terminal Shares to recover the \$3,200,000, but to date the trustee has been unsuccessful in his attempted recovery. As a result of the present purchase the Missouri Pacific will pay Terminal Shares \$400,000 in cash for the two terminal properties and will cancel its claims for the \$3,200,000. The petition informs the commission that the present estimated value of the two properties is \$3,600,000, \$3,200,000 allocated to the Union Terminal and \$400,000 to the St. Joseph Belt.

**NEW YORK CENTRAL.—Notes.**—This company has filed with the Interstate Commerce Commission for its approval a plan for meeting the maturity on April 30 of \$20,000,000 of bank loans. Under the plan the road would pay 20 per cent or \$4,000,000 in cash and issue \$16,000,000 of new promissory notes, \$8,000,000 to run for two years at three per cent interest and \$8,000,000 to run for four years at 3½ per cent interest. The application states that each of the five banks which now hold the notes will receive an equal payment on the principal of their notes and will get two new notes in equal amounts, covering the two and four year maturities at three and 3½ per cent, respectively.

The banks holding the notes are the First National Bank of New York, \$5,000,000; Guaranty Trust Company, \$5,000,000; Irving Trust Company, \$5,000,000; Chase National Bank, \$2,500,000; and J. P. Morgan & Co., Inc., \$2,500,000.

**NORFOLK SOUTHERN.—Abandonment of Operations.**—This company has been authorized by Division 4 of the Interstate Commerce Commission to abandon operation, under trackage rights, over part of a line of the Norfolk Terminal in Norfolk, Va., 0.4 mile.

**OHIO PUBLIC SERVICE.—Abandonment.**—This company has asked authority from the Interstate Commerce Commission to abandon a line extending from Violet Station, Ohio, to Marblehead, four miles.

**PERE MARQUETTE.—Annual Report.**—The 1939 annual report of this company shows net income of \$328,156 after interest and other charges, as compared with a net deficit of \$2,259,803 in 1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
RAILWAY OPERATING REVENUES	\$30,232,638	+\$4,788,036
Maintenance of way	4,015,097	+386,486
Maintenance of equipment*	6,273,815	+586,803
Transportation	11,271,307	+1,004,657
TOTAL OPERATING EXPENSES	23,478,758	+1,991,423
Operating ratio	77.66	-6.79
NET REVENUE FROM OPERATIONS	6,753,879	+2,796,613
Railway tax accruals	1,975,412	+169,086
Railway operating income	4,778,467	+2,627,526
Equipment rents—net	890,616	-116,730
Joint facility rents—net	535,764	-12,312
NET RAILWAY OPERATING INCOME	3,352,085	+2,498,483
TOTAL INCOME	3,712,648	+2,545,048
Rent for leased roads and equipment	67,598	-3,678
Interest on debt	3,240,011	-38,502
NET INCOME	\$328,156	+\$2,587,959

\* Includes depreciation.

**ST. LOUIS SOUTHWESTERN.—Annual Report.**—The 1939 annual report of this road shows net deficit of \$2,018,321 after interest and other charges, an increase of \$1,091,443 as compared with net deficit in

Continued on next left-hand page





# STOPS

## SPOIL SCHEDULES

The greater the distance the locomotive can go with the same fuel and water consumption . . . the better the schedules. Locomotives equipped with Elesco Feedwater Heaters or Exhaust Steam Injectors, by allowing nothing but pre-heated water into the boiler, greatly reduce the fuel and water consumption . . . and result in fewer stops and better schedules.



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**SUPERHEATER**  
C O M P A N Y

Representative of  
AMERICAN THROTTLE COMPANY, INC.  
60 East 42nd Street, NEW YORK  
122 S. Michigan Ave. CHICAGO

Montreal, Canada  
THE SUPERHEATER COMPANY, LTD.

1938. Selected items from the income account follow:

	1939	Increase or Decrease Compared with 1938
RAILWAY OPERATING REVENUES	\$19,609,965	+\$1,117,763
Maintenance of way	3,946,835	+1,385,259
Maintenance of equipment	3,507,467	+797,219
Transportation	6,219,786	-190,625
TOTAL OPERATING EXPENSES	15,597,770	+2,033,296
Operating ratio	79.54	+6.19
NET REVENUE FROM OPERATIONS	4,012,194	-915,533
Railway tax accruals	1,338,309	+88,900
Railway operating income	2,673,884	-1,004,433
Net rents—Dr.	1,531,285	-127,001
NET RAILWAY OPERATING INCOME	1,142,599	-877,422
Other income	80,506	-2,365
TOTAL INCOME	1,223,105	-879,787
Rent for leased roads and equipment	18,745	+15,695
Interest on funded debt	2,941,254	+876,092
TOTAL FIXED CHARGES	3,217,479	+202,302
NET DEFICIT	\$2,018,321	+\$1,091,443

**SOUTHERN PACIFIC.—New Directors.**—Henry L. Corbett, Portland, Ore., and Harvey S. Mudd, Los Angeles, Cal., have been elected directors of the Southern Pacific Company. Mr. Corbett, who is president of the Corbett Investment Company and of the Port of Portland Commission, succeeds Clarence Stanley, president of the Union Trust Company, Pittsburgh, Pa., and Mr. Mudd, who is a mining engineer and president and managing director of Cyprus Mines Corporation, Los Angeles, succeeds Edward S. Harkness, New York, who died on January 29. All other directors were re-elected.

**SPOKANE INTERNATIONAL.—Vote on Plan of Reorganization.**—Division 4 of the Interstate Commerce Commission has ordered a creditor vote on its final plan of reorganization for this company. The ballots are returnable not later than May 25, 1940. Those creditors entitled to vote on the plan are the holders of first mortgage bonds of the Spokane International and the Coeur d'Alene & Pend d'Oreille.

**TENNESSEE CENTRAL.—Extension of R. F. C. Loan.**—Division 4 of the Interstate Commerce Commission has approved an extension of the time of payment for a period ending not later than April 1, 1944, of a loan to this company by the Reconstruction Finance Corporation in the sum of \$5,000,000, maturing April 1, 1940.

### Dividends Declared

Cleveland, Cincinnati, Chicago & St. Louis.—Preferred, \$1.25, quarterly, payable April 30 to holders of record April 20.  
Pittsburgh, Bessemer & Lake Erie.—75¢, semi-annually, payable October 1 to holders of record September 14.

### Average Prices of Stocks and Bonds

	Apr. 9	Last week	Last year
Average price of 20 representative railway stocks..	32.11	31.55	25.59
Average price of 20 representative railway bonds..	60.01	59.91	56.69

## Railway Officers

### EXECUTIVE

**John Steel** has been appointed assistant to the president of the Kansas City, Mexico & Orient (in Mexico), with headquarters at Los Mochis, Sin., succeeding **R. L. Page**.

**Paul Rigdon**, assistant secretary on the Union Pacific, has been appointed office assistant to the president, with headquarters as before at Omaha, Neb. Mr. Rigdon will continue his former duties as assistant secretary.

**C. R. Kuzell**, vice-president of the Verde Tunnel & Smelter Railroad, with headquarters at Clarkdale, Ariz., has been elected president, succeeding **W. M. Saben**, and **W. J. Uren**, has been elected vice-president, with headquarters at Clarkdale, replacing Mr. Kuzell.

**R. S. Macfarlane**, assistant to the president and western counsel of the Northern Pacific, with headquarters at Seattle, Wash., has been elected also president of the Walla Walla Valley, filling a position that has been vacant since the death on June 10, 1939, of **Wilber E. Coman**, vice-president of the Northern Pacific.

**Gordon L. Whipple**, whose promotion to assistant vice-president in charge of operations of the Union Pacific, with headquarters at Omaha, Neb., was announced in the *Railway Age* of April 6, was born



Gordon L. Whipple

at Keithsburg, Ill., on January 30, 1872, and entered railway service in 1887, with the Chicago, Milwaukee & St. Paul as a telegraph operator. In 1894, he was promoted to train dispatcher and in 1900, to chief dispatcher. In 1906, he was advanced to trainmaster and in 1910, he was further advanced to assistant superintendent of transportation. On February 1, 1913, he was promoted to superintendent of transportation, with headquarters at Chicago, and in October, 1922, he was advanced to general superintendent of transportation, with the same headquarters. Six months later, Mr. Whipple went with the Union

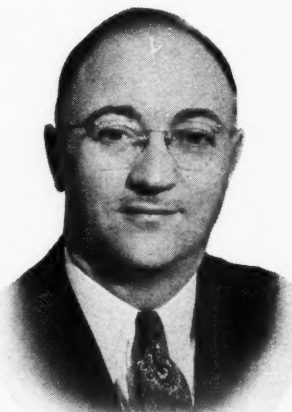
Pacific as general superintendent of transportation, with headquarters at Omaha, the position he held until his recent promotion.

### FINANCIAL, LEGAL AND ACCOUNTING

**J. F. Hedding** has been elected secretary of the Fairport, Painesville & Eastern, with headquarters at Painesville, Ohio.

**James W. Peavy** has been appointed attorney of the Sabine & Neches Valley with headquarters at Lufkin, Tex., succeeding **J. R. Andrews**.

The office of the secretary of the Northern Pacific has been transferred from New York to St. Paul, Minn. **A. M. Gottschald**, assistant secretary, has been promoted to secretary, with headquarters as before at St. Paul, succeeding **F. G. Hollender**, secretary and assistant treasurer, who has been appointed executive assistant



A. M. Gottschald

and assistant secretary, with headquarters as before at New York. **Hugh McLeod** has been appointed assistant secretary, with headquarters at New York.

Mr. Gottschald was born at Duluth, Minn., on August 18, 1895, and entered railway service on the Northern Pacific on April 29, 1911 as an office boy in the superintendent's office at Duluth, later becoming a stenographer in that office. On May 1, 1915, he became a stenographer in the office of the general superintendent at St. Paul, and on September 1, 1915, he was transferred to Livingston, Mont. On January 25, 1917, Mr. Gottschald became a stenographer in the president's office at St. Paul, and on November 1, 1917, he was promoted to secretary to the president. From February 21, 1918, until February 18, 1919, he was engaged in military service, returning on the latter date to the Northern Pacific as secretary to the federal manager. On March 1, 1920, he was appointed chief clerk in the president's office, and on December 1, 1920, has been appointed office manager. Mr. Gottschald was advanced to assistant secretary on February 1, 1932, the position he held until his recent promotion, which was effective March 28.

**A. A. Martiney**, auditor of the Mexican Pacific, has been elected treasurer of (News continued on page 693)

Table of Freight Operating Statistics appears on next left-hand page





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## **ALAN WOOD STEEL COMPANY**

MAIN OFFICE AND MILLS, CONSHOHOCKEN, PENNA. : : SINCE 1826 : : DISTRICT OFFICES AND REPRESENTATIVES—Philadelphia, New York, Boston, Atlanta, Buffalo, Chicago, Cincinnati, Cleveland, Denver, Detroit, Houston, New Orleans, St. Paul, Pittsburgh, Roanoke, Sanford, N.C., St. Louis, Los Angeles, San Francisco, Seattle, Montreal—A. C. Leslie & Co. PRODUCTS INCLUDE—Steel Products in Carbon, Copper or Alloy Analyses : : Sheared Steel Plates : : Hot Rolled Sheets and Strip : : "A.W." Rolled Steel Floor Plates : : Billets, Blooms and Slabs : : "Swede" Pig Iron : : Reading Cut Nails.

## Freight Operating Statistics of Large Steam Railways—Selected Items for the Month of January.

Region, road, and year	Miles of road operated	Train-miles	Locomotive-miles		Car-miles		Ton-miles (thousands)		Number of road locomotives on line					
			Principal and helper	Light	Loaded (thousands)	Per cent loaded	Gross, excluding locomotives and tenders	Net, revenue and non-revenue	Serviceable		Un-serviceable	Per cent un-serviceable		
									Not stored	Stored				
New England Region:														
Boston & Albany.....1940	362	146,059	150,867	10,453	2,986	64.2	174,727	62,112	56	..	30	34.9		
1939	374	139,089	144,101	10,200	2,831	66.7	159,575	56,766	58	1	31	34.4		
Boston & Maine.....1940	1,888	303,085	340,939	26,834	9,833	66.8	572,311	215,094	133	1	49	26.8		
1939	1,937	270,145	302,641	25,374	9,117	67.8	525,411	199,400	140	1	89	38.7		
N. Y., New H. & Hartf.....1940	1,844	367,457	453,643	28,228	12,083	64.8	684,494	255,377	186	13	51	21.4		
1939	1,862	327,691	412,579	31,089	11,131	65.5	618,362	227,883	163	3	105	38.7		
Great Lakes Region:														
Delaware & Hudson.....1940	846	251,778	337,421	35,923	8,059	62.6	523,052	250,665	130	40	70	29.2		
1939	830	212,403	288,919	31,207	7,189	63.6	461,937	223,190	111	53	79	32.5		
Del., Lack. & Western.....1940	983	406,559	468,279	67,926	13,368	64.6	832,900	341,547	139	2	67	32.2		
1939	983	353,581	397,777	57,419	11,657	65.4	705,503	279,603	129	4	80	37.6		
Erie (incl. Chi. & Erie)....1940	2,268	692,965	738,362	47,093	28,171	64.9	1,767,905	709,530	230	29	161	38.3		
1939	2,290	615,637	657,826	40,596	26,350	65.8	1,611,484	635,278	235	18	219	46.4		
Grand Trunk Western.....1940	1,023	263,146	270,545	1,865	7,082	61.0	446,888	159,208	75	1	27	26.2		
1939	1,027	241,578	245,755	2,014	6,357	61.4	396,094	141,786	68	..	45	39.8		
Lehigh Valley .....1940	1,265	351,702	395,028	61,755	13,218	63.2	862,276	368,007	130	..	74	36.3		
1939	1,266	313,231	348,416	55,264	12,170	64.4	774,154	327,134	124	..	105	45.9		
New York Central.....1940	10,587	2,999,513	3,190,408	199,777	91,945	57.7	6,484,703	2,716,794	952	84	324	23.8		
1939	10,613	2,623,530	2,769,288	171,864	83,575	58.1	5,762,334	2,353,396	884	147	406	28.3		
New York, Chi. & St. L....1940	1,672	605,577	615,030	8,783	19,179	63.1	1,195,167	459,138	174	..	24	12.1		
1939	1,672	493,033	499,047	6,839	16,840	62.4	1,041,631	388,812	152	8	38	19.2		
Pere Marquette .....1940	2,081	390,484	400,365	8,613	10,097	59.8	668,249	251,006	124	..	37	23.0		
1939	2,081	327,393	336,992	6,918	8,703	58.7	574,564	211,648	106	3	51	31.9		
Pitts. & Lake Erie.....1940	233	82,022	85,062	..	3,061	58.7	267,110	148,879	29	12	24	36.9		
1939	233	65,575	68,229	..	2,340	56.4	198,141	104,176	26	9	36	50.7		
Wabash .....1940	2,397	618,404	637,521	12,719	17,983	63.5	1,102,603	400,867	156	6	108	40.0		
1939	2,397	549,546	562,583	11,554	16,975	64.8	1,014,440	362,564	140	9	126	45.8		
Central Eastern Region:														
Baltimore & Ohio.....1940	6,262	1,600,582	1,998,207	218,259	46,288	60.8	3,279,712	1,494,133	695	125	380	31.7		
1939	6,285	1,315,011	1,607,211	174,601	38,907	60.7	2,732,882	1,214,943	582	164	489	39.6		
Central of New Jersey....1940	679	191,186	215,356	39,633	5,668	58.6	422,926	208,611	84	3	69	44.2		
1939	681	148,953	169,732	32,709	4,626	60.4	330,765	160,549	74	2	77	50.3		
Chicago & Eastern Ill....1940	925	188,779	189,841	3,387	4,617	65.2	295,984	128,292	59	..	31	34.4		
1939	927	175,008	175,269	2,775	4,116	63.0	266,257	110,568	56	..	37	39.8		
Elgin, Joliet & Eastern....1940	390	123,187	125,671	2,337	2,934	57.9	235,203	115,744	62	..	15	19.5		
1939	390	96,083	97,436	1,208	2,257	57.5	179,516	85,996	54	..	27	33.3		
Long Island .....1940	375	27,117	28,532	18,483	259	51.3	20,805	8,519	38	..	10	20.8		
1939	379	26,952	28,017	15,858	247	52.0	19,413	7,830	35	5	8	16.7		
Pennsylvania System .....1940	9,976	3,125,343	3,761,614	447,737	109,606	60.9	7,617,273	3,375,465	1,357	183	708	31.5		
1939	9,998	2,578,979	3,114,912	349,452	93,164	60.2	6,436,357	2,775,609	1,161	142	1,028	44.1		
Reading .....1940	1,443	453,346	502,217	60,884	12,615	60.3	947,023	468,862	223	..	139	38.4		
1939	1,443	400,728	444,195	54,765	11,117	60.5	832,716	409,858	180	6	177	48.8		
Pocahontas Region:														
Chesapeake & Ohio.....1940	3,046	894,502	951,620	46,710	37,672	56.0	3,185,044	1,728,754	394	43	87	16.6		
1939	3,057	767,857	808,140	35,220	32,286	55.5	2,705,874	1,445,170	369	53	119	22.0		
Norfolk & Western.....1940	2,169	740,140	788,021	52,802	29,970	57.4	2,552,800	1,365,222	291	30	31	8.8		
1939	2,169	636,295	669,263	41,273	25,984	58.7	2,113,416	1,101,442	278	56	29	8.0		
Southern Region:														
Atlantic Coast Line.....1940	5,078	718,864	728,284	10,499	15,001	61.4	886,345	297,493	277	7	42	12.9		
1939	5,082	654,867	660,730	8,816	14,071	60.4	825,552	270,786	247	13	106	29.0		
Central of Georgia.....1940	1,838	263,797	267,352	4,108	5,284	68.4	308,942	119,623	100	..	21	17.4		
1939	1,838	241,788	243,919	4,354	5,209	68.9	297,574	113,960	92	..	30	24.6		
Illinois Central (incl. Y. & M. V.).....1940	6,568	1,499,164	1,513,953	31,079	39,727	60.2	2,742,083	1,182,960	611	33	159	19.8		
1939	6,537	1,296,982	1,306,607	24,966	34,608	60.0	2,327,312	962,690	601	16	232	27.3		
Louisville & Nashville....1940	4,862	1,298,990	1,412,962	40,754	29,043	59.3	2,101,107	1,017,905	395	2	106	21.1		
1939	4,916	1,053,580	1,124,803	30,663	25,155	59.0	1,776,432	832,056	321	3	207	39.0		
Seaboard Air Line.....1940	4,301	665,011	689,038	5,883	15,602	62.8	951,024	343,887	228	6	60	20.4		
1939	4,305	567,512	589,132	4,308	14,265	61.5	874,196	302,918	231	7	68	22.2		
Southern .....1940	6,568	1,451,811	1,476,354	23,219	30,388	63.8	1,852,478	741,166	492	2	151	23.4		
1939	6,651	1,299,947	1,317,493	20,692	28,847	64.2	1,727,414	679,633	467	10	223	31.9		
Northwestern Region:														
Chi. & North Western....1940	8,324	897,723	927,037	23,295	23,725	63.4	1,528,601	582,504	327	50	255	40.3		
1939	8,380	805,335	822,663	17,801	22,042	61.8	1,422,913	529,008	291	141	272	38.6		
Chicago Great Western....1940	1,447	270,970	272,543	5,819	7,262	60.4	473,199	172,450	67	..	19	22.1		
1939	1,450	257,114	258,579	5,331	6,899	59.5	447,649	157,226	69	..	24	25.8		
Chi., Milw., St. P. & Pac....1940	10,882	1,292,123	1,347,337	52,523	34,592	61.4	2,268,377	931,353	432	70	157	23.8		
1939	10,934	1,192,365	1,230,357	40,044	31,984	60.6	2,094,649	839,168	407	121	154	22.6		
Chi., St. P., Minneap. & Om.1940	1,619	236,480	248,883	12,732	5,235	63.3	336,130	136,444	109	8	12	9.3		
1939	1,619	203,395	211,745	9,341	4,462	64.0	278,504	113,630	103	18	18	12.9		
Great Northern .....1940	7,974	737,649	729,382	23,607	22,013	61.5	1,472,708	575,925	306	77	150	28.1		
1939	7,976	691,233	683,307	22,246	21,055	63.7	1,359,904	532,638	310	84	158	28.6		
Minneap., St. P. & S. St. M.1940	4,261	392,361	398,873	4,350	8,591	65.5	512,610	208,773	115	..	23	16.7		
1939	4,266	354,848	359,686	3,105	7,517	65.3	440,789	173,738	122	2	24	16.2		
Northern Pacific .....1940	6,423	631,903	661,262	35,495	19,638	68.3	1,199,167	514,820	330	23	93	20.9		
1939	6,423	587,151	615,824	32,113	18,488	66.5	1,134,920	469,871	340	31	82	18.1		
Central Western Region:														
Alton .....1940	914	211,752	223,209	1,415	4,117	59.3	281,719	89,302	67	7	13	14.9		
1939	914	184,881	192,159	1,025	3,661	60.0	242,690	86,679	54	15	22	24.2		
Atch., Top. & S. Fe (incl. G. C. & S. F. & P. & S. F.)1940	13,421	1,756,162	1,878,015	82,442	46,316	61.1	2,980,588	987,801	581	98	172	20.2		
1939	13,475	1,623,959	1,725,203	69,869	43,577	62.1	2,749,606	910,849	545	81	285	31.3		
Chi., Burl. & Quincy.....1940	8,969	1,236,664	1,282,195	48,438	33,801	61.6	2,189,606	881,485	453	18	78	14.2		
1939	8,899													



## 1940. Compared with January, 1939, for Roads with Annual Operating Revenues Above \$25,000,000

Region, road, and year	Number of freight cars on line			Per cent un-serv-ice-able	Gross ton-miles per train-hour, excluding locomotives and tenders		Net ton-miles per train-mile	Net ton-miles per loaded car-mile	Net ton-miles per car-day	Car-miles per car-day	Net ton-miles per mile of road per day	Pounds of coal per 1,000 gross tons, including locomotives and tenders	Loco-motive-miles per locomotive-day
	Home	Foreign	Total		Gross ton-miles per hour, excluding locomotives and tenders	Gross ton-miles per locomotive and tenders							
New England Region:													
Boston & Albany.....1940	930	5,137	6,067	2.0	20,319	1,214	431	20.8	340	25.5	5,535	170	65.1
1939	946	4,567	5,513	2.2	18,780	1,169	416	20.1	346	25.9	4,896	183	59.1
Boston & Maine.....1940	5,125	7,141	12,266	5.1	26,651	1,898	713	21.9	551	37.7	3,675	114	72.2
1939	7,155	8,511	15,666	10.4	26,497	1,949	740	21.9	427	28.8	3,321	111	49.1
N. Y., New H. & Hartf.....1940	6,057	11,979	18,036	3.2	28,345	1,890	705	21.1	467	34.1	4,467	119	68.5
1939	8,172	11,703	19,875	9.2	28,009	1,921	708	20.5	383	28.5	3,948	113	57.4
Great Lakes Region:													
Delaware & Hudson.....1940	7,276	3,619	10,895	3.6	31,739	2,089	1,001	31.1	754	38.7	9,558	130	53.5
1939	6,894	4,198	11,092	4.6	32,117	2,188	1,057	31.0	646	32.7	8,674	119	43.5
Del., Lack. & Western.....1940	10,210	7,652	17,862	7.5	35,403	2,071	849	25.5	603	36.6	11,208	153	87.1
1939	12,203	7,294	19,497	17.6	35,626	2,022	801	24.0	476	30.3	9,175	145	73.3
Erie (incl. Chi. & Erie).....1940	14,479	14,316	28,795	3.3	42,111	2,576	1,034	25.2	789	48.3	10,092	116	66.9
1939	17,776	11,523	29,299	6.1	43,489	2,644	1,042	24.1	686	43.2	8,949	108	53.1
Grand Trunk Western.....1940	4,160	6,400	10,560	7.7	33,005	1,704	607	22.5	487	35.5	4,894	108	92.6
1939	5,153	6,748	11,901	13.5	32,956	1,646	589	22.3	410	29.9	4,453	103	76.2
Lehigh Valley .....1940	8,822	12,807	21,629	2.4	45,326	2,491	1,063	27.8	568	32.3	9,384	124	72.8
1939	10,185	10,646	20,831	6.6	46,345	2,500	1,057	26.9	508	29.4	8,335	121	58.3
New York Central.....1940	74,509	65,038	139,547	12.7	35,168	2,182	914	29.5	619	36.3	8,278	118	89.3
1939	90,179	55,203	145,382	18.0	37,219	2,217	905	28.2	507	31.0	7,153	112	72.9
New York, Chi. & St. L.....1940	6,028	8,881	14,909	3.1	35,721	1,979	760	23.9	1,010	66.8	8,858	108	108.7
1939	7,172	7,385	14,557	3.9	39,540	2,117	790	23.1	850	59.0	7,501	96	88.3
Pere Marquette .....1940	7,899	7,596	15,495	2.6	28,945	1,723	647	24.9	532	35.8	3,891	106	89.3
1939	10,282	6,061	16,343	4.0	29,621	1,760	648	24.3	414	29.0	3,281	102	76.3
Pitts. & Lake Erie.....1940	8,569	8,094	16,663	33.2	42,765	3,262	1,818	48.6	279	9.8	20,612	108	44.8
1939	9,112	8,290	17,402	38.1	41,979	3,022	1,589	44.5	192	7.7	14,423	109	33.2
Wabash .....1940	10,950	11,000	21,950	9.8	34,966	1,800	654	22.3	586	41.4	5,395	143	81.8
1939	13,531	9,500	23,031	9.7	39,137	1,863	666	21.4	499	36.1	4,879	127	70.7
Central Eastern Region:													
Baltimore & Ohio.....1940	52,310	26,410	78,720	5.4	27,270	2,081	948	32.3	615	31.3	7,697	165	63.1
1939	58,616	20,417	79,033	23.8	28,716	2,109	938	31.2	496	26.2	6,236	153	49.7
Central of New Jersey.....1940	9,632	12,728	22,360	22.6	29,633	2,349	1,159	36.8	301	14.0	9,911	144	68.0
1939	9,856	11,452	21,308	29.3	28,365	2,337	1,135	34.7	248	11.8	7,605	141	55.8
Chicago & Eastern Ill.....1940	2,819	3,459	6,278	4.4	26,517	1,583	686	27.8	673	37.1	4,474	153	71.3
1939	3,222	2,983	6,205	3.6	28,280	1,531	636	26.9	567	33.5	3,848	137	64.7
Elgin, Joliet & Eastern.....1940	8,475	6,857	15,332	4.4	16,369	1,969	969	39.4	249	10.9	9,574	146	79.4
1939	8,482	3,970	12,452	7.3	16,816	1,927	923	38.1	225	10.3	7,113	119	55.9
Long Island .....1940	131	3,217	3,348	1.1	5,654	793	325	32.9	89	5.3	733	380	48.2
1939	294	3,364	3,658	3.0	5,393	745	300	31.7	75	4.5	666	318	43.3
Pennsylvania System .....1940	187,525	59,687	247,212	15.0	35,080	2,485	1,101	30.8	440	23.5	10,915	134	66.9
1939	200,560	48,238	248,798	21.0	38,109	2,534	1,093	29.8	359	20.0	8,955	124	53.3
Reading .....1940	23,710	14,956	38,666	19.3	26,689	2,100	1,040	37.2	388	17.3	10,481	152	56.9
1939	25,905	10,722	36,627	23.6	27,274	2,086	1,027	36.9	359	16.1	9,162	144	50.3
Pocahontas Region:													
Chesapeake & Ohio.....1940	41,263	10,013	51,276	2.4	49,022	3,599	1,953	45.9	1,026	39.9	18,308	93	69.0
1939	46,489	8,104	54,593	2.3	53,439	3,551	1,897	44.8	852	34.3	15,250	85	55.7
Norfolk & Western.....1940	36,144	4,944	41,088	2.5	52,579	3,495	1,869	45.6	1,024	39.1	20,304	107	83.7
1939	38,982	4,407	43,389	6.4	52,297	3,364	1,753	42.4	812	32.6	16,381	106	68.9
Southern Region:													
Atlantic Coast Line.....1940	14,378	8,294	22,672	17.1	22,540	1,236	415	19.8	412	33.8	1,890	123	77.8
1939	17,821	7,785	25,606	23.4	22,769	1,262	414	19.2	336	28.9	1,719	112	63.4
Central of Georgia.....1940	4,730	2,572	7,302	2.1	23,085	1,181	457	22.6	520	33.5	2,099	137	78.6
1939	5,225	2,533	7,758	1.8	23,808	1,234	473	21.9	476	31.6	2,000	127	71.2
Illinois Central (incl. Y. & M. V.).....1940	27,113	21,023	48,136	3.4	28,847	1,850	798	29.8	833	46.5	5,810	158	66.5
1939	29,236	14,619	43,855	4.4	29,433	1,807	748	27.8	711	42.6	4,751	144	55.7
Louisville & Nashville.....1940	32,542	11,844	44,386	12.5	24,539	1,619	784	35.0	716	34.4	6,754	154	97.9
1939	40,177	9,127	49,304	18.6	26,254	1,689	791	33.1	548	28.1	5,460	134	74.4
Seaboard Air Line.....1940	11,604	7,347	18,951	4.2	24,674	1,457	527	22.0	582	42.1	2,579	137	83.0
1939	11,949	5,671	17,620	4.4	26,586	1,563	542	21.2	552	42.3	2,270	122	69.9
Southern .....1940	22,200	19,102	41,302	6.5	21,757	1,288	515	24.4	583	37.5	3,640	161	78.4
1939	22,665	18,149	40,814	10.0	23,345	1,337	526	23.6	541	35.8	3,296	148	64.6
Northwestern Region:													
Chi. & North Western.....1940	32,468	21,071	53,539	11.7	26,397	1,756	669	24.6	351	22.6	2,257	147	50.8
1939	37,474	17,116	54,590	10.2	28,876	1,823	678	24.0	308	20.8	2,036	129	42.2
Chicago Great Western.....1940	2,192	3,697	5,889	1.7	30,614	1,748	637	23.7	974	67.9	3,844	147	110.8
1939	2,522	2,796	5,318	4.0	32,988	1,746	613	22.8	884	65.2	3,498	138	98.0
Chi., Milw., St. P. & Pac.....1940	42,986	19,929	62,915	2.3	27,894	1,767	726	26.9	482	29.2	2,761	141	74.9
1939	46,237	15,360	61,597	2.5	29,151	1,765	707	26.2	436	27.5	2,476	129	65.6
Chi., St. P., Minneap. & Om.....1940	3,713	5,719	9,432	6.2	18,938	1,444	586	26.1	500	30.3	2,719	129	69.8
1939	3,747	5,481	9,228	7.6	19,014	1,380	563	25.5	405	24.8	2,264	129	55.3
Great Northern .....1940	33,576	8,021	41,597	6.1	31,070	2,005	784	26.2	450	28.0	2,330	127	49.7
1939	37,689	8,446	46,135	8.2	30,472	1,977	774	25.3	372	23.1	2,154	130	45.6
Minneap., St. P. & S. St. M.....1940	11,942	3,933	15,875	4.9	22,111	1,308	533	24.3	428	26.9	1,581	123	96.7
1939	13,025	3,242	16,267	5.4	21,210	1,245	491	23.1	341	22.6	1,314	116	82.1
Northern Pacific .....1940	29,189	5,182	34,371	9.1	29,865	1,905	818	26.2	482	26.9	2,586	157	55.5
1939	31,799	4,540	36,339	9.6	31,100	1,941	803	25.4	419	24.8	2,360	151	50.1
Central Western Region:													
Alton .....1940	1,518	5,374	6,892	6.4	31,421	1,344	426	21.4	406	32.0	3,152	159	88.8
1939	1,823	5,198	7,021	11.9	32,537	1,322	472	23.7	400	28.2	3,059	133	71.7
Atch., Top. & S. Fe (incl. G. C. & S. F. & P. & S. F.).....1940	72,565	11,219	83,784	10.9	33,868	1,700	563	21.3	385	29.5	2,374	134	78.6
1939	77,995	11,112	89,107	10.6	33,377	1,696	562	20.9	332	25.6	2,180	127	67.



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## News

(Continued from page 690)

the Kansas City, Mexico & Orient (in Mexico), with headquarters as before at Los Mochis, Sin., succeeding **Sherwood Johnston**.

**Martin L. Cassell, Jr.**, a member of the firm of Hamilton, Black and Klatt, Peoria, Ill., has been appointed assistant general attorney on the Chicago, Rock Island & Pacific, a newly created position, with headquarters at Chicago.

**Fred A. Kilker**, assistant freight claim agent of the Chicago, Burlington & Quincy, has been promoted to freight claim agent, with headquarters as before at Chicago, succeeding **John D. Shields**,



**Fred A. Kilker**

who retired on April 1, and **V. A. Leengran**, chief clerk in the freight claim department at Chicago, has been advanced to assistant freight claim agent, relieving Mr. Kilker. **C. W. Krohl**, general adjuster, has been appointed general claims attorney, with headquarters as before at Chicago, a change in title, with some additional responsibilities.

Mr. Shields was born at Keokuk, Iowa, on March 21, 1870, entered railway service in January, 1886, as a clerk in the auditor's office of the Burlington at Keokuk, later being transferred to St. Joseph, Mo. In 1899, he was promoted to chief clerk to the auditor of freight and ticket accounts at St. Joseph, and was later transferred to Omaha, Neb. In 1904, he was advanced to assistant auditor of freight and ticket accounts in charge of claims at Omaha, and in 1909, he was advanced to auditor of freight and ticket accounts and also in charge of claims at Omaha. Mr. Shields was appointed assistant auditor at Omaha the following year, and in 1911, he was promoted to auditor of expenditures, with headquarters at Chicago. In 1917, he was appointed auditor of freight accounts, and in 1918, he was promoted to freight claim agent, the position he held until his retirement. Mr. Kilker served as chairman of the Committee on Freight Claim Prevention of the American Railway Association from 1925 to 1930, as chairman of the Chicago Claim Conference (1926-27), and as chairman of the Freight Claim Division of the A. R. A. in 1929-30.

Mr. Kilker was born at Omaha, Neb.,

on February 4, 1891, and entered railway service on November 18, 1907, as a tracing clerk in the office of the auditor of freight and ticket accounts at Omaha. On June 22, 1910, he was promoted to loss and damage freight claim investigator and on March 1, 1913, he was transferred to Chicago. On August 13, 1917, he was promoted to assistant department head in the office of the auditor of freight accounts and on September 24, 1918, he was advanced to department head in the office of the freight claim agent, later being advanced to assistant chief clerk and chief clerk in that office. On August 1, 1932, he was appointed chief freight claim adjuster and on April 1, 1937, he was further advanced to assistant freight claim agent, the position he held until his recent promotion, which was effective April 1.

### OPERATING

**J. H. Davis** has been appointed general manager of the Tucson, Cornelia & Gila Bend, with headquarters at Ajo, Ariz., succeeding **M. Curley**.

**Charles Munson** has been appointed general manager of the Tama & Toledo, with headquarters at Marshalltown, Iowa, succeeding **J. P. Walters**.

**Otto E. Hallberg**, superintendent of car service of the Chicago & North Western, has been appointed superintendent of transportation, with headquarters as before at Chicago, a change in title.

**Caleb Corser**, trainmaster on the Northern Pacific at Minneapolis, Minn., has been promoted to assistant superintendent at Fargo, N. D., succeeding **James A. Mercer**, whose promotion to superintendent, with headquarters at Fargo, was announced in the *Railway Age* of February 3. **Corbett W. Coil**, trainmaster at Fargo, has been transferred to Minneapolis, relieving Mr. Corser, and **Claude C. Price** has been appointed trainmaster at Fargo, replacing Mr. Coil.

**H. H. Pevler**, superintendent of the Logansport division of the Pennsylvania, has been promoted to superintendent of freight transportation of the Eastern region, with headquarters at Philadelphia, Pa., succeeding **R. W. Sheffer**, whose death on March 9 was announced in the *Railway Age* of March 16. **J. P. Newell, Jr.**, division engineer of the Long Island railroad, with headquarters at Jamaica, L. I., has been advanced to superintendent at Logansport, Ind., replacing Mr. Pevler. A biographical sketch of the career of Mr. Pevler accompanied by a photograph was published in the *Railway Age* of April 22, 1939, following his promotion to superintendent at Logansport.

### TRAFFIC

**I. N. Phillips**, freight traffic agent for the Nashville, Chattanooga & St. Louis at Chicago, has been promoted to assistant general northern agent, a newly created position, with the same headquarters.

**George Williams**, special assistant to the trustees of the Denver & Rio Grande

Western, has been appointed traffic counsel, with headquarters as before at Denver, Colo., a newly created position.

**W. G. Crush**, special traffic representative of the Missouri-Kansas-Texas (in Texas), with headquarters at Dallas, Tex., and at one time passenger traffic manager, with headquarters at Dallas, has retired.

**C. E. Harris** has been appointed general eastern agent of the Midland Continental, with headquarters at New York, and **E. R. Bick** has been appointed general agent at Chicago, both newly created positions.

**W. A. Klein**, commercial agent on the Mobile & Ohio at New Orleans, La., has been promoted to Western freight agent at Denver, Colo., succeeding **C. E. Hodskin**, whose death on February 1, was announced in the *Railway Age* of February 17.

**D. B. Bishop**, chief clerk to the general freight agent of the Canadian National, has been appointed division freight and district passenger agent, with headquarters at Charlottetown, P. E. I., succeeding **P. W. Clarkin**, who has retired.

**Fred V. Seibert**, superintendent of development and natural resources of the Canadian National, has been appointed also industrial commissioner of the western region, with headquarters at Winnipeg, Man.

**P. B. Beidelman**, assistant freight traffic manager of the Great Northern, with headquarters at St. Paul, Minn., has been promoted to freight traffic manager, with the same headquarters, a change of title. **P. H. Burnham**, continues also as freight traffic manager.

**George E. Messing**, traveling passenger agent for the Illinois Central at Pittsburgh, Pa., has been appointed general agent for the Belt Railway Company of Chicago at that point, filling a position that has been vacant since **George C. Heidish** went with the Akron, Canton & Youngstown as general agent at Akron, as announced in the *Railway Age* of December 2.

**J. M. Doyle**, commercial agent for the Northern Pacific at Buffalo, N. Y., has been appointed general agent at that point. **O. A. Kobs**, district freight agent at Fargo, N. D., has been appointed general agent at that address. **W. F. Goodnight**, general agent, freight department, at Kansas City, Mo., has been appointed general agent at that point, a change of title. **Neil Baird**, general agent, passenger department, at Kansas City, has been appointed general agent at Washington, D. C., a newly created position. **Elmer S. Hard**, traveling freight agent at Duluth, Minn., has been promoted to general agent at Superior, Wis.

### ENGINEERING AND SIGNALING

**John W. Porter**, whose promotion to principal assistant engineer and right of way agent of the Western region of the Canadian National, with headquarters at Winnipeg, Man., was announced in the *Railway Age* of March 30, was educated

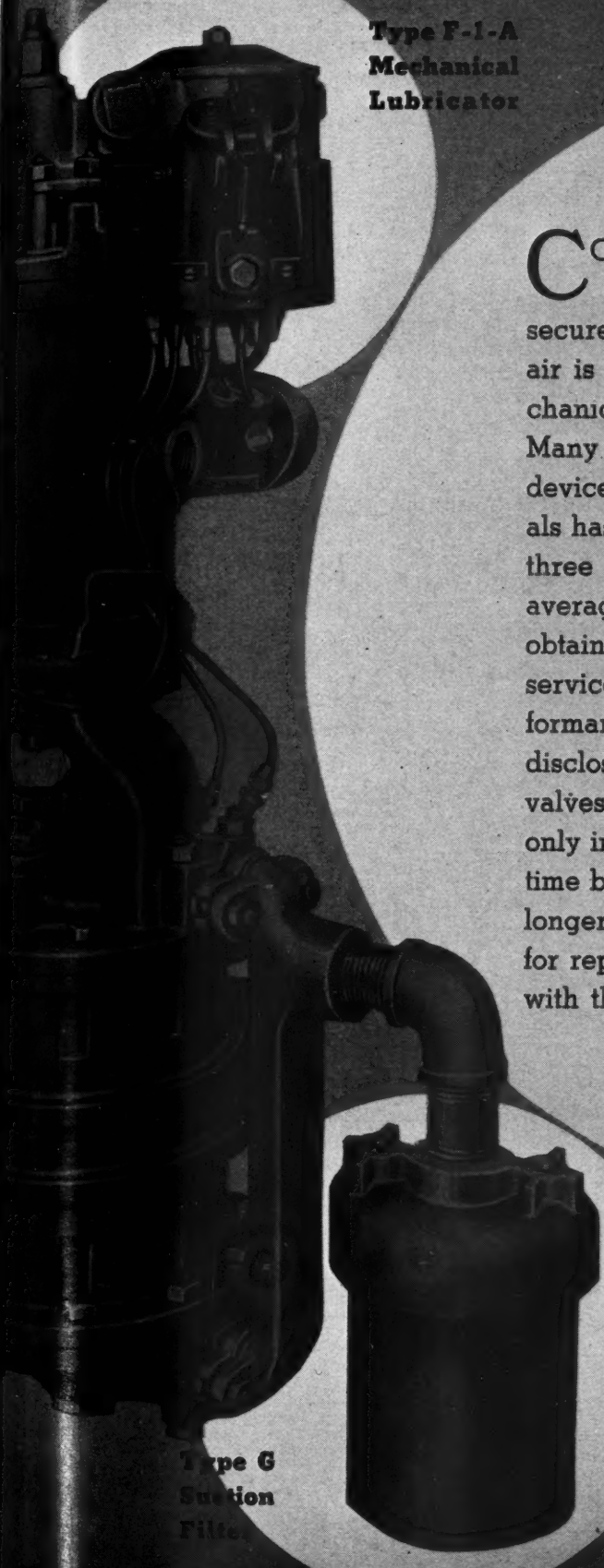
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at Gordon's Technical College, Aberdeen Scotland, and from 1896 to 1902, served his apprenticeship in the office of the chief engineer of the North of Scotland Railway (now the London & Northeastern). In 1902, he came to Canada and entered the service of the Canadian Pacific as a transitman, later becoming acting chief of party on location work. From 1904 to 1907, he served as a resident engineer on construction and on the latter date he was promoted to assistant engineer in charge of completing the construction of the Toronto-Sunbury line between Bolton, Ont., and Byng Inlet. In 1909, he went with the National Transcontinental Railway and in 1913, he was appointed chief engineer of the Hudson Bay Railway (now part of the Canadian National). In 1919, he was appointed special engineer on the Western region of the Canadian National and the following year he was appointed inspecting engineer assigned to the Grand Trunk arbitration reporting on the condition of track, structures, etc., between Wolf Creek Alta., and Prince Rupert, B. C., returning on the completion of this work to his position as special engineer. In the spring of 1929, Mr. Porter was promoted to principal



John W. Porter

assistant engineer of the Western region and in the fall of 1936, when this position was abolished, he was made office engineer, with headquarters as before at Winnipeg, the position he held until his recent promotion.

**E. C. Vandenburg**, whose promotion to engineer maintenance of the Chicago & North Western, with headquarters at Chicago, was announced in the *Railway Age* of March 30, was born at Audubon, Iowa, on March 26, 1887, and graduated from Iowa State College in 1908. He entered railway service on July 1, 1908, as a chainman in the engineering department of the North Western, later serving as a rodman, draftsman and instrumentman on location, construction and maintenance. On October 7, 1912, he was transferred to the signal department as an inspector and a year later he was advanced to chief draftsman in the same department. From July 11, 1914, to January 1, 1916, Mr. Vandenburg served as assistant engineer on construction, returning to the signal department as assistant engineer on the latter date. Two years later he was appointed

assistant general bridge inspector, which position he retained until April 7, 1924, when he was promoted to supervisor of



E. C. Vandenburg

bridges and buildings of the Madison division, with headquarters at Madison, Wis. On May 1, 1931, he was advanced to division engineer of the Northern Iowa and Sioux City divisions, with headquarters at Sioux City, Iowa, which position he held until his recent promotion, effective April 1.

#### MECHANICAL

**I. I. Sylvester**, special engineer of the Canadian National, has been appointed chief inspector of Diesel equipment, with headquarters as before at Montreal, Que.

#### PURCHASES AND STORES

**J. L. Irish**, assistant general storekeeper on the Union Pacific with headquarters at Omaha, Neb., has been promoted to general storekeeper, with the same headquarters, succeeding **U. K. Hall**, whose retirement on March 31, was announced in the *Railway Age* of March 30. **A. R. Mullens**, assistant general storekeeper at Pocatello, Idaho, has been transferred to Omaha, and **J. L. Sullivan**, storekeeper at the Omaha general store, has been promoted to assistant general storekeeper at Omaha. The position of assistant general storekeeper at Pocatello has been abolished.

#### SPECIAL

**Joseph P. Andres** has been appointed acting chief of police of the Delaware & Hudson, succeeding **Frederick A. Thiesen** who has resigned.

#### OBITUARY

**J. A. S. Redfield**, whose death at Fort Lauderdale, Fla., on April 4, was announced in the *Railway Age* of April 6, was born at Santa Barbara, Cal., on December 29, 1875, and graduated from Rensselaer Polytechnic Institute in 1898. He entered railway service on July 10, 1898, as a rodman on the Chicago & North Western, later serving as an instrumentman, assistant engineer and resident engineer on maintenance, location and construction. In 1908, he was promoted to divi-

sion engineer and served in this capacity on various divisions until 1920, when he was further promoted to assistant engineer of maintenance, with headquarters at Omaha, Neb. Subsequently Mr. Redfield was transferred to Chicago, where he remained until his retirement on August 31, 1937.

**J. George Bloom**, whose death on March 30 at Pasadena, Cal., was announced in the *Railway Age* of April 6, was born at Xenia, Ohio, on November 25, 1869, and graduated in civil engineering from Ohio State University. He entered railway service in August, 1889, as a chainman on the Pennsylvania at Cincinnati, Ohio, then for the following 14 years acting successively as assistant engineer for the Kenova Land Association, assistant supervisor on the Norfolk & Western and assistant engineer at Cincinnati, division engineer at Flora, Ill., principal assistant engineer at Cincinnati and division engineer at Chillicothe, Ohio, on the Baltimore & Ohio Southwestern (now part of the Baltimore & Ohio) and division engineer on the B. & O. at Newcastle, Pa. From June, 1903, to December, 1909, he served



J. George Bloom

the Rock Island as district engineer at Topeka, Kan., and as engineer of Maintenance and district engineer of the Southwestern and Choctaw districts. He then left railway work to become president of the Southern Ballast Company at Denison, Tex., where he remained until July, 1912, when he was appointed superintendent of construction of the John F. Stevens Construction Company at New York. In October, 1914, he returned to the Rock Island to become connected with the valuation department at Chicago, being transferred to the operating department as superintendent of the Amarillo division, with headquarters at Amarillo, Tex., in July, 1916. Mr. Bloom was transferred to the Louisiana division, with headquarters at El Dorado, Ark., two years later and in May, 1921, he was appointed division engineer of the Nebraska-Colorado division at Fairbury, Neb. He was promoted to engineer of maintenance of way of the Rock Island system, with headquarters at Chicago, in May, 1922, and held that position until his retirement on February 1, 1929.